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CHINA'S MOTIVES WITH THE BELT AND ROAD INITIATIVE

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JCSP 45

Exercice Solo Flight

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INTRODUCTION

For millennia, China used the Silk Roads to exchange goods and establish commercial links with the rest of the western world. The Ancient History Encyclopedia states that, “the Silk Road was an ancient network of trade routes, formally established during the Han Dynasty of China, which linked the regions of the ancient world in commerce between 130 BCE-1453 CE.”¹ During that timeframe, certain periods had lower traffic due to the security situation along its path resulting in new routes being created in an effort to reopen this important economic corridor. According to the UN, “perhaps the most lasting legacy of the Silk Roads has been their role in bringing cultures and peoples in contact with each other, and facilitating exchange between them.”² Therefore, the Silk Roads provided a platform to facilitate diplomatic and information exchanges as well as trading. In addition, the Silk Roads served with a military and security purpose throughout history as a long portion the Chinese land routes transited near the Great Wall of China.³

Today, China is seeking to establish its Belt and Road initiative (BRI) based on the reasoning of the proven success of the Silk Roads throughout history. The reasons for the BRI approach are linked to a new Chinese Grand Strategy from the Chinese government. According to the World Bank, “the BRI is an ambitious effort to improve regional cooperation and connectivity on a trans-continental scale.”⁴ The Chinese effort to reinvent the greatness associated with the Silk roads in the 21st century through the BRI was first announced in

¹ Ancient History Encyclopedia. “Silk Roads.” Last Accessed 8 April 2019.
https://www.ancient.eu/Silk_Road/

² UNESCO Website. “About the Silk Roads”. Last Accessed 8 April 2019.
<https://en.unesco.org/silkroad/about-silk-road>

³ Of note, other route networks, beyond China’s current borders were also added by traders seeking safer access to China , *Ibid.*

⁴ World Bank Website. “Belt and Road Initiative”. Last Accessed 9 April 2019.
<https://www.worldbank.org/en/topic/regional-integration/brief/belt-and-road-initiative>

September 2013 by President Xi Jinping.⁵ In October 2013, while in Indonesia, Xi announced the Maritime Silk Road as part of the BRI.⁶ As described in the Economist: "...China [is] underwriting billions of dollars of infrastructure investment in countries along the old Silk Road linking it with Europe. The ambition is immense. China is spending roughly \$150bn a year in the 68 countries..."⁷ The proposed project is enormous and will redefine the future of the global economic realities, thus impacting the geopolitical landscape.

As the Silk Roads provided a means for nations to trade knowledge, culture and conduct diplomatic activities, China will benefit from these effects through the BRI. However, it is worth exploring the underlying motives prompting Beijing's ambitious project. To what extent does the project for a new Silk Road obey, as Beijing claims, purely economic motives and to what extent does it also serve geopolitical and security objectives? This essay will seek to determine that the motives behind the BRI are mainly economic; however there are significant stability, security and hegemonic aspects which are deeply rooted in this endeavor. These impacts will affect the domestic, regional and global landscapes of today over the very long term.

The paper will be divided into three sections. The first section will examine the economic and national unity dimension of the BRI on the Chinese domestic level. The second section will examine the economic, the geopolitical and security dimension on the Eurasian continent. Finally, the third section will review the economic, the geopolitical and security dimension of the BRI on the global stage.

⁵ Institute For Security and Development Policy. "The Belt and Road Initiative". Last Accessed 14 April 2019. <http://isdsp.eu/projects/one-belt-one-road-initiative/>

⁶ Duchatel, Mathieu. *Géopolitique de la Chine*. Paris: Presses Universitaire de France. 2017. p 58

⁷ The Economist. "What is China's belt and road initiative?". Last Accessed 9 April 2019. <https://www.economist.com/the-economist-explains/2017/05/14/what-is-chinas-belt-and-road-initiative>

DOMESTIC

Overview

This section will explore internal factors linked to the BRI and how they affect China's future internal outcomes. It will define reasons why the BRI is an essential tool for the Chinese internal stability by looking at the economic and socio-cultural security perspectives in relation to the BRI. Using this approach, the aim will be to expose Beijing's true internal motives with the BRI.

Economic

Beijing opened its market to the outside world at the end of the 20th century to increase its stature on the world stage. Under Deng Xiaoping's rule, it was determined that the economy was the center of gravity for China as it would benefit the other DIME⁸ sectors. As cited by Stuart Harris, "Deng did not deny the importance of military build-up, but viewed economic development as a higher priority and a necessary condition for subsequent military modernization."⁹ Peter Cai states that "One of the overriding objectives of [BRI] is to address China's deepening regional disparity as the country's economy modernises."¹⁰ This provides insight as to why the BRI is at the core of China's domestic strategy.

By ensuring that the population remains happy with its conditions of living, Beijing wants to mitigate any potential increase in uprising and civil unrest. This is an important part of the Chinese methodology in reinforcing the government's legitimacy. Water and energy access is a key internal policy issue within Chinese borders. As described by Kayo Onishi, "China's water resources exploitation in the Upper Mekong is determined by two domestic conditions: the Western Economic Development and the energy industry reform. Both factors are the result of

⁸ Diplomatic, Information, Military and Economic = DIME

⁹ Harris, Stuart. *China's Foreign Policy*. Cambridge: Polity Press. 2014. p 74

¹⁰ Cai, Peter. *Understanding China's Belt and Road Initiative*. Lowy Institute. March 2017. p 1

China's strategy for domestic security."¹¹ Therefore, to ensure internal stability, Beijing requires a continuously increasing source of resources to sustain its domestic development. L.K. Danner states that "...China's internal legitimacy still depended [2010] on economic growth..."¹² supporting the economic motives leading to the creation of the BRI with a goal of ensuring the state's survival.

China is a large country with many cultures and different populations which makes the country difficult to secure for the ruling communist party. The BRI will benefit regions that are more "unaligned" with Beijing, but not as much as the developed Eastern regions. According to a 12 February 2018 Forbes article on the wealth of districts, the top eight of China's 31 districts are located in the most southerly and eastern areas.¹³ This points to huge inequalities in lifestyles within the country. Alek Chance states that "...while eastern China, especially its coastal regions, have experienced phenomenal growth in recent times, the picture is far less rosy farther inland, especially so in the autonomous region of Xinjiang in Western China."¹⁴ As the BRI seeks to enhance trade, the economic inequalities within China will increase, unless significant investment by the central government is carried out to bridge that gap.

The maritime portion of the BRI is significantly larger in economic trade volume vice the current land routes. According the World Shipping Organization, China has been the largest

¹¹ Pachova, Nevelina I; Nakayama Mikiyasu and Jansky, Libor. *International Water Security*. Hong Kong: United Nations University Press. 2008. p 211

¹² Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 111

¹³ Forbes. "China Quietly Releases 2017 Provincial GDP Figures". Last Accessed 11 April 2019. <https://www.forbes.com/sites/salvatorebabones/2018/02/12/china-quietly-releases-2017-provincial-gdp-figures/#15fbd82120dc>

¹⁴ Chance, Alek. *American Perspective on the Belt and Road Initiative*. Institute for China-America Studies. November 2016. p 5-6

exporting nation by sea since 2010.¹⁵ This means that the coastal regions will have a significant advantage to maintain strong economic growth over the regions that only rely on land routes yet to be developed. The inequalities created by a potential expansion of the Chinese economy will fuel unrest in less developed regions, which is why the government is significantly investing in infrastructures in these states..

As described in a study from the City University of Macau, the BRI will provide more infrastructures in Western regions; thereby enabling growth in tourism. This will ultimately lead to an increase in wealth in the regions translating into an increase in quality of life.¹⁶ With clear economic motives in the BRI, there are evident internal tensions emanating from the BRI's outcomes forcing China to anticipate significant internal security problems.

Promoting National Unity

As a matter of national unity, Taiwan remains a major political issue within China. As L.K. Danner states, "...China will not engage in foreign relations with a country that does not accept Tibet and Taiwan as inherent parts of China's territory."¹⁷ Beijing is adamant on eliminating the international community's influence on its internal matters. As mentioned by Alvin Cheng-Hin Lim, "the key exception is China's interest in keeping its partners from offering diplomatic recognition to Taiwan. A country will break [diplomatic] relations with Beijing should it recognize Taiwan as China."¹⁸ L.K. Danner mentions that China is concerned about US involvements in internal sovereignty matters, particularly in Taiwan, Tibet and

¹⁵ World Shipping Organization. "Trade Statistics". Last Accessed 8 April 2019. <http://www.worldshipping.org/about-the-industry/global-trade/trade-statistics#1>

¹⁶ Grace Suk Ha Chan; Irini Lai Fun Tang and Mosa Wenxian Zhang. *Perceptions of Residents in Xinjiang, Urumqi towards Tourism Development through China's Belt and Road Initiative*. City University of Macau. J. Mgmt. & Sustainability 8. 2018. p 71

¹⁷ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 21

¹⁸ Mondialisation. "Africa and China's 21st Century « Maritime Silk Road »". Last Accessed 11 April 2019. <https://www.mondialisation.ca/africa-and-chinas-21st-century-maritime-silk-road/5440861>

Xinjiang.¹⁹ China wants to isolate these regions on the international stage, but due to US support to Taiwan's autonomy, Beijing is unable to impose its will by force.²⁰ China is not seeking a military solution to the Taiwan dispute yet. The economic growth provided by the BRI will enable China to increase its military force in relation to the US power projection capability.²¹ Therefore, over time, the BRI will assist Beijing in achieving a stronger negotiating position vis-à-vis Taiwan.

Another district that can benefit directly from the BRI is Xinjiang, as the land route will need to pass through this region to reach the European markets. Xinjiang is home to a majority of Uighurs practicing the Muslims faith and who identify to central Asian states more than with China. Beijing has been attempting to defuse the separatist movements in the region by relocating citizens to rebalance the composition of the region's population.²² The Sino-Pakistani economic corridor directly relies on the land route through Xinjiang.²³ With the BRI, large investments in resources to expand key infrastructure and the resulting increase in trade will help solidify Beijing's legitimacy within the region.

The third district that is problematic for Beijing is Tibet's autonomous region. Tibet has been a long lasting internal security issue which has caused reverberations on the global stage.²⁴ David Shambaugh cites "Chinese diplomacy also seeks to short-circuit any foreign actions that touch raw domestic political nerves – particularly concerning Tibet, Taiwan, religion and

¹⁹ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 54

²⁰ US State Department. "U.S. Relations With Taiwan". Last Accessed 14 April 2019.
<https://www.state.gov/r/pa/ei/bgn/35855.htm>

²¹ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 54

²² BBC News. "Why is there tension between China and the Uighurs?". Last Accessed 13 April 2019.
<https://www.bbc.com/news/world-asia-china-26414014>

²³ Duchatel, Mathieu. *Géopolitique de la Chine*. Paris: Presses Universitaire de France. 2017. p 41

²⁴ University of Central Arkansas. "China/Tibet (1950-present)". Last Accessed 12 April 2019.
<https://uca.edu/politicalscience/dadm-project/asiapacific-region/chinatibet-1950-present/>

political dissent.”²⁵ Therefore, China will use the economic weight provided by the BRI to isolate these regions on the international scene increasing Beijing’s legitimacy. The BBC reported that in 1959, the Dalai Lama fled to India to set up a government in exile, “most of Tibet’s monasteries were destroyed in the 1960s and 1970s during China’s Cultural Revolution. Thousands of Tibetans are believed to have been killed during periods of repression and martial law.”²⁶ The Chinese authorities have been opposing any cultural identity that is contrary to the communist party’s agenda for decades. By solidifying its key infrastructure in western China through the BRI, the government will benefit from a more favorable influence within the region resulting in a trend towards Beijing’s legitimacy. The cultural differences with potentially “rogue” parts of China will also be disarmed on the international front through an observation of cultural openness and acceptance which is articulated within the BRI, even though this approach is only from a foreign stand point. As China is conducting internal repression, the BRI will serve as a mechanism to provide “diplomatic camouflage” to counter protests from the international community on how Beijing is behaving with its internal matters.²⁷

Beijing is now facing the difficult task of managing inequalities intertwined with socio-cultural differences. This explains the reasons for an increase in internal security spending. In 2018, “according to a new report in the Wall Street Journal, the Jinping government has just massively increased spending for domestic security, the budget for which now surpasses that for national defense by 20 percent.”²⁸ In addition, Kerry Brown states that “...large increases in expenditure on domestic security, rising to over 123 USD billion by 2013, more than the figure

²⁵ Shambaugh, David. *China Goes Global*. Oxford: Oxford University Press. 2013. p 58

²⁶ BBC News. “Tibet profile”. Last Accessed 13 April 2019. <https://www.bbc.com/news/world-asia-pacific-16689779>

²⁷ Danner, Lukas K. *China’s Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 36-37

²⁸ National Review. “China’s Growing Domestic-Security Spending”. Last Accessed 9 April 2019. <https://www.nationalreview.com/corner/china-domestic-security-spending-growing-greater-than-national-defense/>

on national defense (USD 119 billion).”²⁹ China is spending more on domestic security than on its defense budget.³⁰ Along with a hard security apparatus, Beijing is seeking to consolidate its legitimacy through the use of community development and co-management approaches that are aimed directly at regions such as Tibet and Xinjiang.³¹ The BRI brings a massive internal stability and security perspective that cannot be ignored.

Internal Motives

The BRI has predominant economic incentives favoring the internal Chinese human security aspect; however it does offer some important motives of internal security, such as curtailing current internal separatists’ movements in western China. The aim of the BRI is also to legitimize Beijing as it seeks to increase the quality of life of its citizens through enormous infrastructure investment. To ensure national unity, Beijing will benefit from this project to continue to fuel a growing economy, which in turn will provide more resources and reasons to sustain its forceful repression of dissidents within the country.

REGIONAL

Overview

The section will explore factors linked to the BRI and what are Beijing’s regional motives. For the purpose of this study, the region is defined as the Eurasian continent. The analysis will seek to explore why the BRI is an essential tool for Chinese regional stability by looking at the economic and geopolitical aspects. To evaluate regional motives behind the BRI, the region will be subdivided into two sub-section; Asia with its maritime and land routes, and

²⁹ Brown, Kerry. *The Belt and Road: Security Dimensions*. Asia Europe Journal: Springer Berlin Heidelberg. September 2018, Vol 6, Issue 3.

³⁰ The Jamestown Foundation. “China’s Domestic Security Spending: An Analysis of Available Data”. Last Accessed 9 April 2019. <https://jamestown.org/program/chinas-domestic-security-spending-analysis-available-data/>

³¹ Foggin, Mark. Environmental Conservation in the Tibetan Plateau Region: Lessons for China’s Belt and Road Initiative in the Mountains of Central Asia. MDPI : Land 7(2), 52. 2018.

Europe. Both of these perspectives will be aligned with the BRI and how the factors influence China's position in the overall region.

Asia

The Asian region is the most important region from Beijing's perspective. As mentioned by David Shambaugh, "...of all regions in the world, Asia receives priority attention in China's diplomacy. Geographic proximity dictates this. Its economic interests are anchored in the region, as the lion's share of China's trade and investments flows through the region."³² Therefore, Beijing will prioritize its efforts and resources into developing stronger ties with neighbors to enable the BRI.

The Maritime Perspective

China is currently extremely dependent on the Strait of Malacca to sustain its trade with Europe, Africa and western Asia. The Strait of Malacca is a maritime choke point and therefore its access must be ensured to maintain the flow of Middle Eastern oil and gas to China.³³ The Strait of Malacca is responsible for the majority of the oil and gas imports to China: "China...last year [2012] relied on the narrow waters [Strait of Malacca] for around 37% of its total demand."³⁴ The announcement of the Maritime Silk Road in Oct 2013 by Xi Jinping in Indonesia was not done inadvertently, but was well orchestrated to leverage legitimacy as stated by L.K. Danner : "...it makes perfect sense to announce the Maritime Silk Road of the [BRI], since this is also the first country passed through via the sea route when leaving Chinese maritime sovereign territory..."³⁵ The importance of the Strait of Malacca is paramount for the

³² Shambaugh, David. *China Goes Global*. Oxford: Oxford University Press. 2013. p 95

³³ Institute For Security and Development Policy. "Alleviating China's Malacca Dilemma". Last Accessed 14 April 2019. <http://isdsp.eu/alleviating-chinas-malacca-dilemma/>

³⁴ Pedersen, Jacob. *China Leads Peers in Resolving Malacca Energy Shipping Dilemma*. New York : Dow Jones Institutional News. 12 May 2013. p 1.

³⁵ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 79

Chinese economy and this is why Beijing made the Maritime portion of the BRI declaration while in Indonesia. This highlights the strait's strategic relevance in ensuring a sustained growth in trade for the Chinese economy.

China is imposing some territorial gains in the East and South China seas. According to a NY Times article, China created new territory on seven shoals under Beijing's control.³⁶ This highlights the objective to establish a dominating presence vis-à-vis Vietnam and the Philippines.³⁷ The recent expansion of Chinese island territories were contested in July 2013 and supported in July 2016 by the UN Permanent Court of Arbitration, however Beijing has stated that it would not recognize the courts findings.³⁸ This approach is creating some contradictions with the BRI's stated intentions, more specifically for regional stability. The East and South China Sea region is a key economic corridor for Chinese maritime trade, therefore Beijing is willing to impose their will to the detriment of losing international recognition and legitimacy to ensure its maritime trade route security. As stated by L.K. Danner, "China's declaration of the air defense identification zone over the East China Sea in late 2013..."³⁹ proves Beijing's intent in increasing its use of military force to protect its maritime trade routes.

However, with the Chinese posturing in the South and East China Seas, Beijing is actively seeking other means to reinforce regional relationships through the military spectrum. "According to exercise co-director Colonel Lim Yu Chuan of Singapore, the exercise drills build trust and confidence ... Despite the maritime claim tensions, regional powers are beginning to

³⁶ The New York Times. "What China Has Been Building in the South China Sea". Last Accessed 12 April 2019. <https://www.nytimes.com/interactive/2015/07/30/world/asia/what-china-has-been-building-in-the-south-china-sea.html>

³⁷ Duchatel, Mathieu. *Géopolitique de la Chine*. Paris: Presses Universitaire de France. 2017. p 80

³⁸ Permanent Court of Arbitration. "PCA Press Release: The South China Sea Arbitration (The Republic of the Philippines v. The People's Republic of China)". Last Accessed 12 April 2019. <https://pca-cpa.org/en/news/pca-press-release-the-south-china-sea-arbitration-the-republic-of-the-philippines-v-the-peoples-republic-of-china/>

³⁹ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 151

buy into a cooperative relationship with China.”⁴⁰ Despite its will to use force, Beijing is seeking to defuse tensions while positioning itself with a stronger influence through the use of military exercises with neighbors.

The Land Perspective

By strengthening its regional cooperation with neighbors, China will be able to exert more influence in a way to enhance and sustain its economic growth. “As China celebrates the fifth anniversary of its BRI, South Asia has clearly emerged as a “priority zone” in the Chinese scheme, particularly, with the highest density of early harvest projects.”⁴¹ Beijing’s efforts are concentrating in the regional aspect for the establishment of the BRI. As Sarah Chan states, “given that the BRI is China-led, China is expected to fill a large part of the infrastructure investment gap to improve regional connectivity...”⁴² The motives behind the BRI are focusing on the regional aspect to secure trade routes with the Chinese infrastructure investment power.

The BRI implies that a significant effort must be directed towards regional states to establish the links required for trade and commerce to flourish. This must be facilitated through diplomatic and political negotiations with each nation judged to be an essential part of the BRI. By seeking regional cooperation, China seeks to create common ground to endorse mutual objectives with the goal of fostering a climate of stability. The standard of living in neighboring countries tends to increase when they see an increase in wealth. Therefore, by seeking to increase regional states’ wealth, this will trend towards an increase in security making the region relatively safer for China.

⁴⁰ Second Line of Defence. “China’s “Buy In” Strategy for Maritime Operations in the Pacific: Putting It into a Strategic Maritime Context”. Last Accessed 8 April 2019. <https://sldinfo.com/2019/03/chinas-buy-in-strategy-for-maritime-operations-in-the-pacific-putting-it-into-a-strategic-maritime-context/>

⁴¹ The Diplomat. “China’s Vision for the Belt and Road in South Asia”. Last Accessed 11 April 2019. <https://thediplomat.com/2019/03/chinas-vision-for-the-belt-and-road-in-south-asia/>

⁴² Chan, Sarah. *The Belt and Road Initiative: Implications for China and East Asian Economies*. The Copenhagen Journal of Asian Studies 35(2). 2017. p 68

The NY Times reported in Dec 2018 that the BRI and the relationship with Pakistan were more than just purely economic in nature: “Chinese officials have repeatedly said the Belt and Road is purely an economic project with peaceful intent. But with its plan for Pakistan, China is for the first time explicitly tying a Belt and Road proposal to its military ambitions...”⁴³ As Stuart Harris stated, “China’s ability to employ one or other of these methods [DIME] depends not just on its own capabilities, but on the international environment – the continued impact of globalization ... and developments in its relative military and economic power.”⁴⁴ Evidence is pointing towards factors beyond a large scale economic project.

In the last 50 years, China has resorted to state on state military action to reinforce its sovereignty with India and Vietnam as described by L.K. Danner, “This indicates that China is a power that does not rule out military action, but recently has focused on other competitive areas such as economics, information and diplomacy while obviously still modernizing their conventional and nuclear capabilities...”⁴⁵ Beijing is willing to use military force, in levels that will not induce international intervention, as a tool to enable its economic growth.

Europe

As tensions between Russia and the West continue to persist, Beijing is positioning itself to improve its relations with Russia. Since the 2008 economic crisis, Russia and China have strengthened their relation which has paved the way to launch essential elements of the land route for the BRI.⁴⁶ When overlaying this through an energy security lens, this will become of significant strategic interest for the European Union (EU).⁴⁷ According to the Financial Times,

⁴³ The New York Times. “China’s ‘Belt and Road’ Plan in Pakistan Takes a Military Turn”. Last Accessed 9 April 2019. <https://www.nytimes.com/2018/12/19/world/asia/pakistan-china-belt-road-military.html>

⁴⁴ Harris, Stuart. *China’s Foreign Policy*. Cambridge: Polity Press. 2014. p 50

⁴⁵ Danner, Lukas K. *China’s Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 31

⁴⁶ Freeman, Carla P. "New strategies for an old rivalry? China–Russia relations in Central Asia after the energy boom." *The Pacific Review* 31.5 (2018)

⁴⁷ Duke, Simon. *Europe as a Stronger Global Actor*. London: Palgrave Macmillan. 2017. p 80

“Russia has become one of the biggest recipients of Chinese investment under the BRI, underlining the latter’s capacity to help forge stronger geopolitical links.”⁴⁸ The involvement of Russia for the BRI is paramount; it will provide land access to Europe, while benefiting from stronger ties with the largest country in the world and its vast natural resources. Chinese investment will have an important influence in Russia, especially when sanctions are imposed from the West. “According to the Center for Strategic and International Studies, a Washington-based think-tank, Russia has received \$46bn in Chinese funding for BRI projects.”⁴⁹ The Chinese investment in Russia is massive and will strengthen the ties between the countries in the long term. In addition, shared wealth has a stabilizing function, since both parties will seek to resolve dispute for a common interest.

China has been seeking important links within the EU to establish trade. This does not come as a surprise, since the original Silk Roads culminated in Europe. As stated by the Council of Foreign Relations on 27 Mar 2019, “Rome and Beijing signed a major deal on the BRI, several European leaders expressed alarm about the agreement’s ability to divide Europe.”⁵⁰ Italy is the first G7 country to recognized and sign on to the BRI. This will have significant impacts on the EU’s economic future especially when the EU is trying to manage the Brexit. This is a major victory for Beijing, as they are now able to increase their access to the huge European markets that are at the core of recreating the prestige of the Silk Roads. “The Silk Road Economic Belt and the 21st Century Maritime Silk Road may provide strategic opportunities for

⁴⁸ The Financial Times. “Bridge-building a pillar of Sino-Russian détente”. Last Accessed 11 April 2019. . . <https://www.ft.com/content/949d3f30-806c-11e8-af48-190d103e32a4>

⁴⁹ *Ibid.*

⁵⁰ Council on Foreign Relations. “China’s Strategy in Djibouti: Mixing Commercial and Military Interests.” Last Accessed 17 April 2019. <https://www.cfr.org/article/chinas-belt-and-road-gets-win-italy>

China and the participating countries, strengthen the economic relations between the Asian and the European continent...⁵¹ Beijing is now closer to consolidating its presence in EU markets.

Regional Motives

By prioritizing Chinese investment in regional countries, this will position Beijing with a stronger influence vis-à-vis regional actors. China is seeking to create a more stable region through the BRI by securing maritime and land routes. In the pursuit of the BRI, China is willing to use force as long as it remains under the threshold of international scrutiny. Beijing's willingness in expending resources is largely proportional to the proximity of the target state in relation to China's borders. Even though that China will focus on the Asia region, Beijing must secure access to the large European markets to fully enable the BRI vision. There are indications of security and military motives residing behind the BRI's stated economic agenda.

GLOBAL

Overview

The section will explore factors linked to the BRI where China's motives stand on the global stage. For the purpose of this study, the section will be divided into two sub-sections consisting of the rest of the world and the potential future world order where a prospective vision will be proposed. The analysis will seek to explore why the BRI is an essential tool for Chinese global influence through the economic and geopolitical aspects.

Rest of world

Since the fall of the Soviet Union, the world undertook a trend of trade globalization and economic growth. Under Xiaoping, China turned to capitalist economies and sought access to US and European markets to increase its maritime trade. As quoted by L.K. Danner, "Chinese

⁵¹ Sági, Judit and Engelberth, István. *The Belt and Road Initiative – a Way Forward to China's Expansion*. CCPS Vol. 4 No. 1 Budapest Business School. April 2018. p 29-30

strategic doctrine tends to draw on a cultural-historical experience that emphasizes patience and thinking in terms of decades, not months or years.”⁵² The fact that the Chinese government does not change every four or five years like western democracies, provides them with a sustained continuity of effort period that is longer than western democracies. In addition, most democracies tend to favor a capitalist economy which is driven by profits. This means that companies must create profits within shorter timelines to keep investment boards satisfied. With China’s cultural methodology sourced in Confucianism merged with the communist government ruling stability, the BRI approach makes sense.⁵³ This is a long game that spans beyond the normal western planning cycle based on capitalism and re-election primacy. Chinese intent is founded in Confucianism supported by government stability which reveals a global motive with the BRI that is spanning generations. Therefore, the global Chinese intent behind the BRI is for the very long term.

China developed a strong counter argument to reassure skeptic nations about the true intent behind the BRI. Beijing is seeking a peaceful trajectory without any hegemony ambition which is rooted in a win-win cooperation commercially and economically while respecting culture and sovereignty of states.⁵⁴ Economic relations are a powerful tool to defuse instability as most nations seek wealth to provide security for either the government or the population. As cited by Alek Chance, “...through BRI, China aims to deepen and expand the surface, sea, and air linkages across the Eurasian landmass and Indo-Pacific periphery, further integrate its main centers of economic vitality, and provide development assistance to its poorer regions.”⁵⁵ The

⁵² Danner, Lukas K. *China’s Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 30

⁵³ Asiasociety. “Confucianism”. Last Accessed 14 April 2019.
<https://asiasociety.org/education/confucianism>

⁵⁴ Duchatel, Mathieu. *Géopolitique de la Chine*. Paris: Presses Universitaire de France. 2017. p 7

⁵⁵ Chance, Alek. *American Perspective on the Belt and Road Initiative*. Institute for China-America Studies. November 2016. p 4

mindset with the BRI approach will increase its international acceptance and can offset any perceptions from the West that this is purely a strategy to gain a geopolitical advantage in the long run. There are motives of global geopolitical advantage delivered by the BRI. China's BRI will be a key instrument for Beijing as they can specifically target areas of instability and invest massively to favor Long-term development and a trend towards stability.

To provide stability you also need security. China's BRI requires some security aspect to ensure the project's longevity. Beijing has created the "String of Pearls" as defined by Aashish : "If the [BRI] was just the threat owing to economic aid and strengthening China's position by accessing more markets at reduced cost and secured lines, few analysts went ahead and declared another stratagem called String of Pearls."⁵⁶ The String of Pearls was another Chinese initiative pre-dating the BRI. It is an array of mostly Indian Ocean Ports and Airfields designed to safeguard Chinese access to oil and gas.⁵⁷ Undoubtedly, that Beijing will seek to recreate its military presence in Djibouti to provide security to the BRI.⁵⁸ To quote the Council on Foreign Relations: "... a 2014 article by experts from the PLAN-affiliated Chinese Naval Research Institute listed the following seven places as possible candidates for a Chinese military outpost: Sittwe, Myanmar, Gwadar, Djibouti, Seychelles, Sri Lanka and Tanzania."⁵⁹ These locations are strategically placed to facilitate maritime trade; therefore ensuring maritime security is on the Chinese agenda.

⁵⁶ Strategic Front. "China's "String of Pearls": The encirclement of India & how to break the chakravayuh?". Last Accessed 14 April 2019. <https://www.strategicfront.org/chinas-string-pearls-encirclement-india-break-chakravayuh/>

⁵⁷ Stratfor. "China's String of Pearls?". Last Accessed 14 April 2019. <https://worldview.stratfor.com/article/chinas-string-pearls>

⁵⁸ Duchatel, Mathieu. *Géopolitique de la Chine*. Paris: Presses Universitaire de France. 2017. p 115

⁵⁹ Council on Foreign Relations. "China's Strategy in Djibouti: Mixing Commercial and Military Interests." Last Accessed 13 April 2019. <https://www.cfr.org/blog/chinas-strategy-djibouti-mixing-commercial-and-military-interests>

This brings an interesting perspective into the true intent underlying the BRI project. The economic interests of the BRI are clear, but to ensure that these interests are maintained, the security aspect will need to be guaranteed. As cited on the website of the Council on Foreign Relations: “ With the opening of the first overseas Chinese military base in Djibouti, this tiny Horn of Africa country has become a testing ground for the mixing of China's commercial and military interests abroad.”⁶⁰ The creation of this base is logical and was likely easier for the international community to accept because of its proximity to the horn of Africa and the global fight on piracy. This establishes a precedent and demonstrates the intent of Beijing to militarize the BRI to ensure trade routes security.

Potential Future World Order

The BRI is having significant influence on many fronts, but as L.K Danner cites: “The case of the [BRI] shows mostly converging behavior, with only minor doubts on the points of anti-hegemonism and the perception of China as a threat. Overall... the [BRI] met all the factors of the Peaceful Development Strategy...”⁶¹ The BRI as so far been implemented peacefully and below the international threshold of power projection, however due to the sheer size and scope of the BRI, the potential for change in the current World order lies just beyond the horizon.

The US has been concerned with the BRI and its true *raison d'être*; however the matter is complex overlapping economic, security, cultural and geopolitical aspects. As the US is looking at the current intention emanating from Beijing regarding the BRI, there is much more than pure competition for hegemony. Alek Chance writes that the “BRI can be viewed by one analyst as being an entirely mercantile endeavor and by another as a strategic gambit aimed at establishing

⁶⁰ *Ibid.*

⁶¹ Danner, Lukas K. *China's Grand Strategy*. Cham: Palgrave Macmillan. 2018. p 89

Chinese hegemony or even laying the foundations for a “Sino-centric” world order.”⁶² There is ambiguity in the perception from the US into what motives lay under the BRI. Since the BRI is such a complex enterprise, this means that there are potential avenues for the US to reinforce some of its interests through the BRI. Alek Chance further mentions that “along with ominous interpretations of Chinese objectives, one can find many assessments of potential benefits for the US or areas in which BRI can enhance US-China cooperation.”⁶³ Of note, this study was completed in the last months of the Obama administration, therefore the analysis does not account for the drastic change that the current US administration undertook when it took office in Jan 2017.

The current US approach, centered on “Make America Great Again” will likely not facilitate a closer relationship with China as they continue to forge the BRI. That being said, the current US administration is trying to influence China in adopting internal policies that favor the long term global trade market that are currently based on the US model.⁶⁴ The US cannot ignore the Chinese BRI and will attempt to maximize US interests as it progresses. Regardless of how the US positions itself vis-à-vis the BRI, the BRI will significantly boost Beijing’s influence and power projection on the world stage.

Global Motives

The BRI will increase the Chinese economic might, will facilitate its power projection with its “String of Pearls” and is a Long-term initiative that feeds on global markets. Beijing’s rise in power will be achieved through a multifaceted, 360 degrees, full-spectrum approach of the

⁶² Chance, Alek. *American Perspective on the Belt and Road Initiative*. Institute for China-America Studies. November 2016. p 9

⁶³ Chance, Alek. *American Perspective on the Belt and Road Initiative*. Institute for China-America Studies. November 2016. p 10

⁶⁴ Brookings. “The US-China economic relationship: A comprehensive approach.” Last Accessed 12 April 2019. <https://www.brookings.edu/research/the-us-china-economic-relationship-a-comprehensive-approach/>

DIME framework, which rather contrasts with the western very linear conventional style.

China's principal global motives are economic, but they are underpinned by a military force projection increase to safeguard Sino interest as they build the BRI. Even though the Chinese position states that they do not seek hegemony, the sheer scope of the BRI and the Long-term impacts will challenge the future of the US hegemony.

CONCLUSION

There are numerous motives behind the BRI and its repercussions will affect the domestic, regional and global positions of the Chinese government vis-à-vis actors in these sectors. On the domestic front, the BRI will enable China to sustain economic growth, which in turn will galvanize Beijing's grip on internal security matters. The predominant economic incentives will favor the internal Chinese human security aspect and will provide a trend towards Beijing's legitimacy. This will curtail current internal separatists' movements such as Taiwan, Tibet and Xinjiang. The BRI and its cultural recognition statement will assist Beijing in being able to continue its internal repression in the face of external opposition from nations that are more liberal.

From the Eurasian stand point, China will prioritize its investments in Asian countries based on proximity, reinforcing economic ties with the goal of positioning Beijing in a stronger relative position vis-à-vis regional actors. Through the BRI, China is concentrating on the near region to create a more stable zone fostering better potential for sustained peace. An important exception to this is the landmark achievements in securing trade with Italy and Russia to ensure access to EU markets. Beijing military intervention cannot be discounted, but if it occurs, it will be done under the threshold of international scrutiny. Beijing's regional motives behind the BRI

are evidently economic in character, but significant stability, security and military motives are directly linked to it.

The BRI will have important impacts on the Chinese economy as it reaches more of the global markets. Beijing's rise in power will be achieved through a multifaceted, full-spectrum approach favoring the diplomatic, information and economic sectors of the DIME model, until it can compete with US military power. China's principal global motives behind the BRI are economic, but they are underpinned by a military force projection increase to safeguard Sino interest with its "String of Pearls". The official Chinese position is that they do not seek hegemony; however, the sheer scope of the BRI and the Long-term impacts it will have is directly challenging the future of the US hegemony.

The Chinese BRI venture will benefit other states and will provide an alternative to the US hegemony regarding the economic development of the world. Even if the economic factor would be the sole reason for the BRI, this endeavor will offer venues to increase diplomatic relations in many states, potentially reducing the chance of conflict. The future world order is not about to change in the short term, however history has shown that hegemony is not permanent. The BRI is an enterprise that, in the very long term, has the potential to redesign the hegemonic reality of the world in the later stages of the 21st century.

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