China’s Strategy of “One Belt and One Road”: What It Means for the World?

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1. Ancient Silk Road’s Role in the History

- Pivot of ancient Eurasian trade system
- Development Center of world history
- Collision of Eurasian civilisations
- Decline of silk road in modern international system
The first Chinese to see the world

Zhang Qian (164-114, BC), a very famous Chinese diplomatist, tourist and explorer, Han Dynasty. Who was the first man to open up silk road when Huns cut off traditional trade ways between the west and the east.
Zhang Qian’s envoying road
Ancient silk road in Asia before Zhang Qian’s diplomatic mission

Starting city: Xi’An
First pivot: Dun Huang

North road → Kazakhstan
Middle road → Uzbekistan
South road → Afghanistan

3 Roads combine in Iran

Teheran → Baghdad → Ankara → Constantinople → Rome
Trading depots and religious sites of Eurasia.
Civilization communication

- The ancient Silk Road throughout European and Asian continents, east from the city of Chang’an (Luoyang), and west to the capital of the Eastern Roman Empire in Constantinople, with a total length of more than 7,000 km.
- Silk road connecting Asia, Europe and Africa, is a ground where the world’s major civilizations bred. Here also appeared the religions which have tremendous impacts such as Buddhism and Christianity, spread all over the eastern and western culture and give a great influence on the modern international system.
Religious exchanges

• Emerging empires in the history facilitated exchanges along the silk road through political and military consolidation, the spread of religions did the same by creating religious and cultural.

• Missionaries often traveled on the same routes or even together with merchants, affording them the promise of divine protection along the way. Monasteries in remote places served as stations, pilgrimage centers as market towns, and common faith and knowledge of scriptural languages made travel easier for co-religionists far from home.
Early interaction between India and China brought Indian science, technology, art and literature to China. In the Islamic world, shared Islamic religion and languages facilitated the circulation of knowledge all over Eurasia.

Ibn Sina, for example, a Arabian scholar, synthesized Hellenic and Islamic medicine into a system later adopted in western Europe. Jesuits brought European astronomy, cartography, mathematics, art, music, and other knowledge to China during 16—18 century, and took Chinese information back to Europe.
Zheng He’s Voyages to the Western Sea

Zheng He (1371-1433), world navigating pioneer, great navigator, diplomatist in Ming Dynasty. He leaded 27 thousand soldiers and 240 ships voyage to the Western Sea for 7 times. He was the first navigator to find Africa 57 years earlier than Dias, he visited more than 30 countries in south Asia, central Asia, Middle East and north Africa.
Why did Silk Road Decline?

- Emerging Ottoman empire interrupted the trade road from China to Europe via Central Asia after 1453.
- Maritime transportation was faster than land transportation despite railway emerged in the 19th century.
- China is more interesting in south road to trade with Southeast Asia and Europe.
- After Zhenghe’s voyage activities, the government of China empire began to implement strict embargo policy.
2. Building the Silk Road Economic Belt

**China’s initiative of New Silk Road Economic Belt**

- President Xi Jinping visited Kazakhstan in September, 2013 and put forward the idea of building the silk road economic belt in his speech at Nazarbayev University.
- Then, President Xi Jinping visited Indonesia in October, 2013 and put forward the idea of 21st-century Maritimes Silk Road in his speech at the people’s representative Council of Indonesia.
- Above two ideas putting together forms the strategy of one belt and one road.
独特的区位优势
Unique geographical advantages

丝绸之路经济带与海上丝绸之路区域图

Modern port. Lianyungang City is located at the north-south transition and the transit of the intersection of land and sea, is an international channel "New Eurasian Continental Bridge" of the east-westland bridge length connect the three continents, two oceans, choke. With the "Two Wings" combination, Lianyungang shape “backbone” of the sea and rail transport development, rail transport, road transport, river transport, river transport, supplemented by ocean transport, to form a three-dimensional transportation network, to communicate with the world of goods, AC convenient, let the world know, so zone to the world.
Backgrounds

- American “Resetting the Balance”
- China’s economic “New Normal”
- China’s new economic diplomacy
- Other silk road strategy
The Other initiatives relevant to silk road

1) America’s “new silk road” pan.
   • Proposed by American secretary of state Hilary Clinton in July 2011, which focuses on security of the region after the U.S. troop withdraws from Afghanistan. It has three key points. First, ensure the security of the region; second, develop a regional framework to manage the India-Pakistan relations. third, America will play a key role in regional development to ensure American influence.

2) Russia’s “Eurasian Economic Integration”
   • Three CIS countries, Russia, Belarus and Kazakhstan signed Eurasian Economic Integration on May 2014. According to the agreement, three countries will realize free flow of goods, service, capital and labor from beginning of this year.
3) Trans-Eurasia transportation plan.
   - It was originally put forward by Azerbaijan and Turkey under the framework of ‘transport corridor Europe-Caucasus-Asia’ (TRACECA), then supported by Kazakhstan and Georgia in 2012.

4) Modern silk road
   - The plan initiated by Turkey and other countries on the 3rd Caspian Sea Forum held in Istanbul on Dec. 2013. Modern silk road is a strategy connecting silk road trade, mainly including energy transmission network. The plan was scheduled to start in 2015. Some scholars think the modern silk road will double the China-Europe trade in five or six years, because it costs in transportation less than sea transportation by 45 days.
Silk road and existing International economic corridors

<table>
<thead>
<tr>
<th>Economic Corridor</th>
<th>Countries</th>
<th>Time</th>
<th>Functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Eurasian Continental Bridge.</td>
<td>China, Russia, Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan, Iran, Turkey, Ukraine, Poland, Germany, Netherland.</td>
<td>1992.</td>
<td>Building closer ties between EU and East Asia countries. Fasting inflow and outflow of FDI, technology cooperation and management exchange. Enhancing economic growth of Eurasia continent.</td>
</tr>
<tr>
<td>China-Mongolia-Russia Economic Corridor.</td>
<td>China, Russia, Mongolia.</td>
<td>2014.</td>
<td>Silk Road(China). Eurasia Railway(Russia). Grasslands Road(Mongolia).</td>
</tr>
</tbody>
</table>
China’s Fundamental Policy

- policy consultation (政策沟通)
- road connections (道路联通)
- unimpeded trade (贸易畅通)
- monetary circulation (货币流通)
- people to people exchanges (民心相通)
3. The Implement of New Silk Road Strategy

**A long-term economic strategy**

- The silk economic belt is a long-term strategy extending for 35 years with three steps, will be preliminarily finished by 2049.
- **Stage 1**: strategic mobilization (2015-2016)
- **Stage 2**: strategic planning stage (2017-2021)
- **Stage 3**: strategic implementation (2022-2049)
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China’s policy in the first stage

1) expanding international students; cooperation in running schools; China will provide government scholarship for 10,000 students in countries along the Silk Route.

2) Jointly design tourism route and tourism products and simplify the visa application process for tourists in countries along the Silk Route.

3) Promoting cooperation of 21st century tourism in maritime silk route

4) Improve the ability to cope with public health emergency with each others.

5) Enhance scientific and technological cooperation and build joint laboratory (research center).

6) Completely utilize party exchanges and parliament exchanges as the bridge for cooperation.

7) Strengthen the exchanges and cooperation among countries along the Silk Route
Promoting relations between East Asia and Central Asia

- Social connections between East Asia and Central Asia
- Economic relations between East Asia and Central Asia
- Political cooperation between East Asia and Central Asia
Investment of infrastructure

China-Kyrgyzstan-Uzbekistan fast rail
Where is money from?

- Sovereignty Wealth Fund (Silk Fund)
- Regional Multi-lateral Development Bank
- Brics Development Bank
- SCO Development Bank
- Maritime Silk Road Development Bank
- Domestic Policy Bank
4. What will Silk Road Economic Belt bring to the World?

• Reconstructing Eurasian economic relations. Making countries along silk road adjust and couple their developing strategy.
• Forming a economic growing belt in Eurasia. Explore regional market potential, generating investment, consumption and employment.
• Intensifying civilization dialogue. Promoting cultural exchanges and mutual learning among civilizations.
• Ensure safety and security in Eurasia region.
• Reshaping Eurasian Geopolitics.
5. Possible risks and challenges

- The silk road strategies of Eurasian countries are fragmented and overlapped until now.
- Geopolitical conflicts among great powers.
- Big countries’ policy incoordination.
- Terrorist attacks. the East Turkistan Islamic Movement is the major terror threat facing China at present.
- Investment safety.