

Building the New Silk Road

Space, Capital and Prosperity

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What is the Belt and Road Initiative?

The Belt and Road Initiative is a Chinese foreign policy initiative launched in October 2013 by Chinese President Xi Jinping. The policy aims to increase trade and investment connectivity between China and the countries traversed by the historic Silk Road trade route that connected Europe, Africa and Asia many centuries ago. China has launched numerous financial institutions aimed at funding infrastructure projects across Europe, Asia and Africa to augment the flow of goods, services, capital and people along the land-based “Silk Road Economic Belt” and the sea-based “21st Century Maritime Silk Road.”

Perspectives on the Belt and Road

Belt and Road Initiative as Periphery Policy

The Belt and Road places special emphasis on connecting, developing and enriching China’s northwestern Xinjiang region (populated by ethnic Uyghurs) and the Central Asian states. Xinjiang has been the site of growing ethnic tensions (between the indigenous Uyghur population and a growing Han Chinese population) and separatist violence. Some scholars have proposed that the Belt and Road’s emphasis on building prosperity in Xinjiang and greater Central Asia is an attempt to placate would-be separatists and secure PRC sovereignty in the state’s peripheries.

Belt and Road Initiative as a Solution to Slowing Demand

After decades of soaring economic growth, the expansion of China’s economy is beginning to slow. China’s productive economic capacity in steel, cement and other secondary commodities is beginning to outstrip effective demand for these commodities. Many scholars and commentators have understood the Belt and Road as a response to this phenomenon, usually referred to as “excess capacity.” By investing in the creation of roads, railways, ports and other infrastructure, the Belt and Road will stoke demand for Chinese commodities as a means of solving China’s “excess capacity” problem, some scholars argue.

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Belt and Road Initiative as a “Spatial Fix”

Tim Summers understand the Belt and Road as a “spatial fix” to Chinese capitalism: a policy which will expedite capitalist development and resolve capitalist crisis by adjusting the spatial parameters of capital. Summers proposes that the Belt and Road is a process of globalization which seeks to speed up and reduce spatial barriers, through the development of transport networks to facilitate the flow of capital and products. In this view, the Belt and Road is not a policy meant to overturn the geopolitical status quo, but an entrenchment of the existing spatial paradigm of capitalist development.

Belt and Road Initiative as a Response to the US-led World Order

Many scholars have asserted that the Belt and Road is a product of China’s rising geopolitical and geoeconomic clout. In this view, the Belt and Road is an attempt, by China, to create an informal network of allies to challenge US regional influence. Specific institutions under the framework of the Belt and Road, such as the Asian Infrastructure Investment Bank, are designed as a direct challenge to the US-led monetary regime of the WTO and the World Bank, some commentators argue. The behaviour of the Chinese state is explained, in this framework, by China’s status as a “rising power.”



Sri Lanka

Chinese investment in Sri Lankan infrastructure has been the subject of intense controversy. After the Sri Lankan government had to cede equity in the newly-constructed Hambantota port to a Chinese state-owned firm, many Sri Lankans decried the port as a “Chinese colony” and called for an end to Sri Lankan participation in the Belt and Road initiative. Sri Lankan lawmakers face a difficult balancing act: on the one hand, popular opinion is virulently against continued Chinese investment in the country, on the other, the Belt and Road represents a much-needed source of funds for the debt-stricken country.



Myanmar

When Myanmar was ruled by a military junta, the PRC enjoyed a close relationship with the country. Myanmar, then, welcomed Chinese investment in the country’s infrastructure. Since democratic reforms in 2010 led to the demise of the junta, emergent anti-Chinese populism has created numerous obstacles to Myanmar integration into the Belt and Road Initiative. Though several Belt and Road projects have been initiated in the country in recent years, such as the Kyaukse gas pipeline, fears of growing Chinese influence in the country have led to the cessation of several projects—projects that China sees as vital to its energy security.



Xinjiang

Xinjiang, a province in China’s northwest populated by ethnic Uyghurs, is one the Belt and Road’s centerpieces. Beijing intends to leverage the region’s close geographic and cultural proximity to Central Asia to facilitate the economic integration of China and Central Asia. Though the Belt and Road, in this way, emphasizes Xinjiang’s distinct identity and its connection to Central Asia, the Initiative seems, paradoxically, intended to secure Chinese control over the region by placating the region’s indigenous population with material enticements generated through investment in the local economy.