The “One Belt, One Road” strategy provides a guide to the future of China in Eurasia.

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The People’s Republic of China’s (PRC) Eurasian frontiers have once more emerged as major factor in Beijing’s foreign policy. Indeed, President Xi Jinping’s recent enunciation of China’s “One Belt, One Road” (OBOR) strategy, comprising an initiative to enhance Eurasian economic connectivity through the construction of a Silk Road Economic Belt (SREB) and a Maritime Silk Road (MSR), has placed Eurasia “front and center” in China’s contemporary foreign policy. This has led some to argue that Beijing is in the process of its own “pivot” to Asia that will have far-reaching strategic consequences.

Matthew Burrows and Robert Manning recently argued that this “pivot west to Eurasia seeks to turn its vulnerability – a border with fourteen nations – into a strategic asset.” Together they seek to realize Mackinder’s vision of a Eurasian heartland unopposed.” The success of this Eurasian pivot may well prove to be a “nightmare” for the United States as Beijing’s economic and strategic heft attracts a weakened Russia into a partnership to stabilize and modernize Eurasia on the basis of “authoritarian state-centric capitalism.” In contrast, Jeffrey Payne responds that such fears “should be pushed aside,” as Beijing will not only have to confront a region of unpredictable and uncontrollable political forces but also latent, and mutual, Sino-Russian suspicion.

Wider Context

Such views however do not provide an adequate account of either the underlying motives for Beijing’s “Eurasian pivot” or the wider regional context in which Chinese policy is operating. Two factors are central in this regard. First, the OBOR can in part be seen as China’s response to the “pivot” or “rebalance” to Asia under U.S. President Barack Obama and to Russia’s relative decline in Central Asia. Second, the OBOR (and the SREB component especially) is as much about Beijing’s domestic concerns as it is about its grand strategy priorities. Of major concern here is China’s hold on its major and often restive Eurasian frontier regions, such as Xinjiang and Tibet. While the relative decline of U.S. and Russian influence in Central Asia has provided Beijing with strategic opportunities to expand its reach, the intensification of Uyghur and Tibetan opposition to ongoing Chinese rule since 2008 has underlined for Beijing the need to accelerate the economic development/modernization of these regions as the primary means of achieving their integration into the modern Chinese state. Geopolitics and domestic state-building imperatives are thus interwoven in Beijing’s Eurasian pivot.

Prominent Chinese scholar Wang Jisi has argued that China’s “march westward” (i.e., OBOR) is a “strategic necessity,” because the “eastward shift” in strategic focus of the Obama administration (known as the “rebalance”) threatens to lock Sino-U.S. relations into a “zero-sum game” in East Asia. If
China’s “march westwards” succeeds, “the potential for U.S.-China cooperation” across a variety of fields will increase and “there will be almost no risk of military confrontation between the two.” For most of its history, Wang notes, the PRC was strategically oriented to the east due to the “traditional development advantages” of the country’s eastern provinces and the fact that the major strategic and military threats to the country emanated from its maritime frontiers. Now, however, a “march westwards” is needed to ensure that: “harmony and stability” in Xinjiang (and Tibet) are not threatened by “extremism, terrorism and other hostile external forces”; “the supply channels for oil and other bulk commodities to the west of China’s borders remain open”; and China can expand its economic cooperation (including the provision of economic aid) with “all West Asian nations.

From this perspective Central Asia emerges as a strategic safety valve for the expansion of Chinese influence, given the perceived decline of U.S. influence and interest in the region after its withdrawal from Afghanistan. The MSR seeks to complement this strategic shift by seeking to bolster economic interconnectivity between China and the maritime states of Southeast Asia, South Asia and the Middle East. A crucial commonality between both the “land” and “maritime” Silk Roads as far as Beijing is concerned is their potential to deliver greater access (and security of supply) to the oil and gas of both Central Asia and the Middle East.

**Complementary Interests**

The fact that the SREB is in some ways complementary to the interests of the Central Asian states has also worked in Beijing’s favor. Most immediately, China’s focus on greater economic interconnectivity in the region through improvements to critical infrastructure such as oil and gas pipelines, highways, railways and telecommunications networks gels with the long-held desire of Central Asia’s energy rich states (e.g., Kazakhstan and Turkmenistan) to diversify export routes for their oil and gas. Additionally, a number of the Central Asian states have also identified diversification of their economies beyond resource exports as a core priority for their future economic well-being. China’s contribution of $40 billion to a “Silk Road Fund” to assist in the necessary infrastructural development for the SREB has also been seen by Central Asian states as emblematic of the seriousness of Beijing’s commitment to the project.

Additionally, Central Asia’s apparent receptiveness to China’s initiatives must also be framed by the region’s evolving view of the role of the United States and Russia. The Obama administration’s approach to Central Asia as whole arguably became captive to its dilemmas in Afghanistan. That Washington would view the region through this particular lens was not surprising given Obama’s “surge” of 30,000 extra U.S. troops into Afghanistan from July 2009 and withdrawal of the bulk of U.S. and NATO forces by 2014. For the Central Asian states that had benefitted from the arrival of the U.S. on the regional stage after 9/11; however, the prospect of declining U.S. attention to the region suggested they would be squeezed between an ascendant Beijing and a weakened yet assertive Russia.

An outgrowth of Washington’s Afghan-centric approach was its explicit broadening of the definition of Central Asia to an amorphous “Greater Central Asia” that encompassed not only the five post-Soviet states but also Afghanistan, Pakistan, Iran’s Khorasan province, and China’s Xinjiang province. For many policymakers and commentators in Washington since the late 1990s, and especially since 2001, much of Central Asia’s apparent instability was due to a perceived lack of integration with the liberal global order (understood in both political and economic terms). This became apparent with the administration’s launch of its “New Silk Road Initiative” (NSRI) in 2011 that aimed to promote the liberalization of trade, economic cooperation, and “people-to-people” links between Central and South Asia.

This initiative was clearly driven by the administration’s desire to set the conditions for the consolidation of an independent and stable Afghanistan after the withdrawal of U.S. troops with then Undersecretary of State for Economic, Agricultural and Energy Affairs, Robert Hormats, noting that the, “basis for the ‘New Silk Road’ vision is that if Afghanistan is firmly embedded in the economic life of the region, it will be better able to attract new investment, benefit from its resource potential, and provide increasing economic opportunity and hope for its people.” Key to this vision would be for the U.S. to assist countries
In this region to reorient their key infrastructure (such as highways, railways, telecommunications networks and so forth) southward and assist in “removing the bureaucratic barriers and other impediments to the free flow of goods and people.”

The success of such an initiative would also ultimately serve a wider goal for the U.S. as the consolidation of an amenable regime in Afghanistan would provide Washington with the capacity to develop north-south linkages between Central and South Asia to compete against the west-east linkages being developed by China and Russia [10]. This development would ultimately contribute to an enduring American geopolitical interest – to ensure that no one power or group of powers dominates Eurasia. However, this initiative has been undermined almost from the start by the administration’s shifting priorities, the lack of economic integration amongst the Central Asian states themselves, and the administration’s broader “pivot” or “rebalance” to the Asia-Pacific. The latter, from the perspective of Central Asia’s elites, signals a decline in U.S. attention and commitment to the region from the high point of the early 2000s [11].

‘Post-Soviet Space’

If China’s recent initiatives in Central Asia have been based on economic and strategic strength, Russia’s have been based on weakness. Indeed, the catalyst for Russia’s renewed interest in integration projects in the “post-Soviet space” was the Global Financial Crisis (GFC) of 2008/09 and its impact on Russia’s resource-led economic growth. While Russia’s economy had achieved significant levels of growth between 1999 and 2007, with the size of the economy increasing six-fold from $200 billion to $1.3 trillion and per capita GDP rising to $7,000, it had remained overly reliant on the export of its energy resources particularly to Western Europe [12]. The GFC not only “exposed the limits of this strategy” but the consequent decline in Russia’s economic growth prompted Moscow to seek the reinvigoration of integration in the “post-Soviet space” as a means of weathering the fallout from the crisis [13]. Russian trade with Central Asia had also begun to decline by 2007, with China overtaking Russia as the region’s major foreign trade partner [14]. Russia had by the mid-2000s also begun to refocus on its major advantage vis-à-vis Central Asia - its dominant role in the energy sector - as a means of both buttressing its traditional position in the region and its domestic energy demand. Moscow’s attempts to maintain control over exports from Central Asia do not stem from a need for extra oil and gas imports “but rather because it wants to re-export petroleum for a profit.” [15] Thus “the Central Asian energy market has in fact sustained the Russian market with low-cost energy while sales to Europe are made at much higher prices.” Falling European demand post-GFC however ultimately undermined this strategy.

It is this context that President Vladimir Putin attempted to reanimate the concept of a “Eurasian Union” [16] (an idea first floated by Kazakhstan’s President Nursultan Nazarbayev in 1994) in a October 2011 op-ed in Izvestia in which he foresaw it as a “supra-national body” that would “coordinate economic and currency policy” as a means of providing a “new post-crisis” development model. Yet Putin’s push for the “Eurasian Union” to encompass not only Russia, Kazakhstan and Belarus but also Ukraine jeopardized the entire project. Ukrainian President Viktor Yanukovych’s decision to reject a trade deal with the European Union in favor of joining the Eurasian Union precipitated the domestic upheaval that ultimately toppled him and precipitated Russia’s annexation of Crimea. The fallout from the Ukrainian crisis for the “post-Soviet space” has been damaging for Russia’s partners in the Eurasian Union [17]. The West’s imposition of wide-reaching sanctions on Russia has undoubtedly harmed the Belarusian and Kazakhstani economies. In January 2015, for example, the Kazakh government cut its GDP growth forecast to 1.5 per cent from its previous prediction of 4.8 per cent with Nazarbayev acknowledging the knock-on effects from Western sanctions on Russia and a decline in oil prices [18]. With respect to the former, one Kazakh analyst noted that the country’s trade with Ukraine prior to the crisis had exceeded its trade with the rest of Central Asia but thereafter bilateral trade had declined by a third from a high of $4 billion per year [19].

Moscow’s partners have also begun to doubt the economic viability of the project, with Kazakhstan for example questioning Moscow’s desire to woo states such as Armenia, Kyrgyzstan and Tajikistan into the group. Kazakh analyst Sultan Akimbekov, for instance, has suggested that Moscow is more intent on making a political statement by making the Eurasian Union into “an ‘umbrella’ brand to bring together a
large number of states in the post-Soviet space” as a means of demonstrating its power and sway over its weaker neighbors rather than forge an effective economic grouping [20]. Additionally, he questions whether the Eurasian Union has in fact brought tangible economic benefits to Kazakhstan since it took effect, noting that while the value of the Kazakhstan’s exports to Russia in 2012 were almost exactly the same as four years prior, Kazakhstan has emerged under the Union as “an increasingly important sales market for Russia and Belarus.”

Politically, the Ukrainian crisis has also given rise to misgivings in both Minsk and Astana as to the ultimate goals of Putin’s agenda. The Russian president’s invocation of Moscow’s duty to defend ethnic Russians as a justification for annexation of the Crimea in particular has revived concern in Kazakhstan about possible Russian irredentism in the country’s northern reaches. Now has Russian rhetoric since allayed such concerns. Putin’s statement, for instance, at a pro-Kremlin youth camp at Lake Seliger near Moscow in August 2014 that before 1991 “Kazakhs had never had statehood” and that ultimately Kazakhstan is part of the so-called Russki mir (Russian world) [21], predictably due the ire of Astana. Nazarbayev took to state television to assert that, “Kazakhstan has a right to withdraw from the Eurasian Economic Union,” [22] and that “Kazakhstan will not be part of organizations that pose a threat to our independence.” Such Russian posturing also prompted Nazarbayev to announce plans to officially celebrate the founding of Kazakh statehood in 1465 [23] by the Kazakh khans Kerey and Janybek, while the Astana Times editorialized on the legitimate history of the statehood of the Kazakh people [24].

**Challenges for Beijing**

Yet the SREB and increasing bilateral economic relationships with Beijing are not unproblematic for Central Asia. The former, despite some recent Russian protestations to the contrary, runs counter to Moscow’s protectionist agenda within the rubric of its Eurasian Union as Beijing is clearly focused on facilitating freer economic interaction throughout Central Asia. One analyst remarked in this respect that “the real concern” for Russia vis-à-vis the SREB is “China’s business-is-business approach with others, which differs from both the West’s political strings for economic intercourse and Russia’s heavy doses of geopolitics.” [25] A deeper problem for Beijing, as prominent Chinese international relations scholar Wu Zhengyu notes [26], is that “if China increases its economic penetration of Central Asia, that region’s countries will likely, in the interest of maintaining political and strategic autonomy, opt to strengthen strategic cooperation with other powers as a means of hedging against political risks caused by economic dependence...Chinese inroads into the Central Asian region may probably create another instance of separation between political relations and economic links.”

Underlying China’s push here, however, is its state-building imperatives in its core Eurasian frontier regions of Xinjiang, Tibet and Inner Mongolia. Historically, these frontiers constituted the marginal “Inner Asian zone” of Chinese expansion [27]. These regions were ethnically and geographically liminal zones between Han Chinese and largely Turkic and Mongolian civilizations that not only often remained beyond the authority of imperial China but were also potential threats in the form invasions of China by those peoples. Over the past three decades, Beijing has constructed a coherent strategy toward these regions that seeks to fundamentally transform this historical relationship. Since the institution of “reform and opening” under Deng Xiaoping the core assumption has been that the delivery of economic development and modernization will ultimately “buy” the loyalty of such non-ethnic groups as the Uyghur and Tibetans [28].

The economic development of these frontier regions first assumed national importance under the “Great Western Development” campaign, formally launched by former President Jiang Zemin in 2000, in which regions such as Xinjiang were envisaged as becoming industrial and agricultural bases and a trade and energy corridor linking China’s economy with Central and South Asia. In this sense, Beijing has had the “jump” on U.S. initiatives such as the NSRI by nearly two decades, with Raffaello Pantucci and Alexandros Petersen noting that [29], “the web of connections that China is forging across the region...is the realization of the ‘New Silk Road’ vision articulated by the U.S. State Department but with the connections oriented largely toward Xinjiang.”
With continued unrest in Xinjiang and Tibet (and even incidents of terrorism in the former) in recent times, it is thus no coincidence that these regions are specifically envisioned as playing key roles in the OBOR. China’s National Development and Reform Commission’s (NDRC) policy paper of March 28, 2015 [30], for example, explicitly stated that, “We should make good use of Xinjiang’s geographic advantages and its role as a window of westward opening-up to deepen communication and cooperation with Central, South and West Asian countries, make it a key transportation, trade, logistics, culture, science and education center, and a core area on the Silk Road Economic Belt.

The core challenge for Beijing however is that the Eurasian connectivity that the OBOR seeks to invigorate, while holding the potential to enhance China’s influence across its Eurasian frontiers, is just as likely to create opportunities for the transmission of various currents (e.g., radical Islamism) antithetical to its core goal of consolidating its hold on places such as Xinjiang. The existence of small numbers of Uyghur militants operating with the assistance of the Afghan and Pakistani Taliban along the Af-Pak frontier [31] and the increasing flows of Uyghur refugees into South East Asia are but two current examples of the potential challenges here [32].

Burrows and Manning’s assertion China’s Eurasian pivot could create “a new bipolarity” of “China, Russia and a handful of authoritarian regimes from Central Asia on one pole and the United States, EU and Asian allies and partners on the other” thus ignores the challenges for Beijing arising from the domestic imperatives of its OBOR strategy. Payne’s position that the U.S. can afford to strategically disengage from Eurasia, while ultimately framed by the well-established argument that “United States is naturally oriented to serve as an offshore balancer,” nonetheless runs counter to the geopolitical interest that has consistently animated U.S. grand strategy since the end of the Second World War – to ensure that no one power dominates the Eurasian landmass [33].

U.S. policymakers cannot afford to rely on views that either exaggerate Chinese geopolitical weight in Eurasia or blithely dismiss the fact that the U.S. retains a strategic stake in its future. Correctly identifying the motives for, and obstacles to, China’s OBOR provides a better guide to the likely future of Chinese power and influence in the region.

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Footnotes


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