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Book Reviews

CHINA'S "MARCHING WEST" STRATEGY: CREATING A EURASIAN GREAT POWER

JOSHY M. PAUL

Two developments that have been the cornerstone of a turnaround in China's grand strategy in the 21st century are the 2008 financial crisis and the US "pivot to Asia" under the Obama administration. Both have contributed to change Deng Xiaoping's 'low profile foreign policy' to 'achieve something', not only on regional matters but at the global level too. The former has opened up new opportunities for China to project its power because the financial crisis has crippled the US economy that has always propped up the US' grandstanding. The latter has forced China to reorient its strategy from East Asia to the west to counter the US 'pivot'. Subsequently, China launched its 'marching west'¹ strategy with the Silk Road Economic Belt, linking China to Central and South Asia and onward to Europe aimed at expanding China's strategic influence towards the Eurasian frontiers. Together with New Maritime Silk Road passing through the oceans, linking China to Southeast Asia, the Gulf countries, North Africa, and onward to Europe, the Silk Road Economic Belt is now known as Belt and Road Initiative (BRI). It is

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1. Maxmilian Mayer, "China's Rise as Eurasian Power: The Revival of the Silk Road and Its Consequences", in Maxmilian Mayer (ed.), *Rethinking the Silk Road* (Singapore: Palgrave Macmillan, 2018), p. 9.

expected to help attain President Xi Jinping's "China Dream" of "great rejuvenation of the Chinese nation".² Xi's vision is that China will have to emerge as an "unparalleled"³ great power—a continental-cum-maritime great power—by the middle of the 21st century, which will be different from all previous great powers in that they were either a continental power or a maritime power and had never controlled the whole of Eurasia. Xi has visualised China to emerge as a "Eurasian great power" with a strong maritime footprint when China celebrates the centenary of its inception in 2049.

CHINA'S GRAND STRATEGY INITIATIVE: BRI

Since BRI is China's grand strategy initiative, it has certain missions and objectives that China wants to propagate among the participating countries. According to the BRI "Vision and Action" plan document, released by the Chinese National Development and Reform Commission in March 2015, China "envisages cooperation among member countries in policy coordination; facilitates connectivity (including infrastructures such as rail, roads, shipping, aviation, and pipelines); unimpeded trade through investment and trade facilitation, removal of trade barriers, and customs cooperation; financial integration (including establishing the Asian Infrastructure Investment Bank and deepening financial cooperation); and people-to-people bonds (such as cultural and academic exchange)."⁴ According to Refinitiv data, as of February 2020, China will invest approximately US\$ 3.16 trillion across various projects, "which include transportation, power and water, real estate, oil and gas, manufacturing, mining and communication"

2. "Xi Jinping's 'China Dream'", *China Daily*, December 8, 2013, at https://www.chinadaily.com.cn/china/2013-12/08/content_17160305.htm. Accessed on January 25, 2021.

3. Chinese President Xi Jinping used the term 'unparalleled' to mean that the domestic unity "will create an unparalleled force that will power the ship of our national renewal to clip waves and reach its destination", in his address at the "Reception in Celebration of the 70th Anniversary of the Founding of the People's Republic of China", held on September 30, 2019. Ministry of Foreign Affairs of the People's Republic of China, at https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/zyjh_665391/t1704400.shtml. Accessed on January 21, 2021.

4. National Development and Reform Commission, the People's Republic of China, "Vision and Action to Promote the Construction of the Silk Road Economic Belt and the 21st Century Maritime Silk Road", March 28, 2015, at https://en.ndrc.gov.cn/newsrelease_8232/201503/t20150330_1193900.html. Accessed on January 22, 2021.

(Table 1). Of these, 76 per cent or 1,989 projects were currently active, while 22 per cent have been completed or are in the final stage of completion.⁵ As of March 2020, “138 countries had signed documents on ‘BRI cooperation,’ ... [from] the following regions: Sub-Saharan Africa (38), Europe & Central Asia (34), East Asia & Pacific (25), Latin America & Caribbean (18), Middle East & North Africa (17), and South Asia (6).”⁶ To fulfil the BRI projects, Beijing has backed US\$ 40 billion for the Silk Road Economic Belt, US\$ 25 billion for the Maritime Silk Road, US\$ 50 billion for the AIIB, and US\$ 40 billion for the Silk Road Fund.⁷

Table 1: Major Sectors under BRI

Project Sector	Project Value (US\$/billion)	% of Total Value	# of Projects
Transportation	\$1,818.49	46.99%	1,235
Power & Water	\$893.49	23.09%	740
Real Estate	\$436.74	11.28%	596
Oil & Gas	\$418.93	10.82%	140
Manufacturing	\$243.85	6.30%	193
Mining	\$57.98	1.50%	41
Communication	\$0.88	0.02%	20
Grand Total	\$3,870.36	100.00%	2,965

Source: Refinitiv BRI Database—up to 31 December 2019

Oil & Gas Projects	Project Value (US\$/billion)	# of Projects
Exploration and Production	159.32	31
Refinery	132.00	45
Transportation	104.57	43
Others	10.96	4

5. Refinitiv, “BRI Connect: An Initiative in Numbers”, (3rd edn.), February 2020, at <https://agsiw.org/wp-content/uploads/2020/02/belt-and-road-initiative-in-numbers-issue-3.pdf>. Accessed on January 25, 2021.

6. Romi Jain, “Pitfalls or Windfalls in China’s Belt and Road Economic Outreach?”, *Asian Survey*, vol. 60, no. 4, 2020, p. 686.

7. Suisheng Zhao, “China’s Belt-Road Initiative as the Signature of President Xi Jinping Diplomacy: Easier Said than Done”, *Journal of Contemporary China*, vol. 29, no. 123, 2020, pp. 319-35.

Storage	7.55	11
Field Support - Offsite and Utilities	4.55	6
Grand Total	418.93	140

Source: Refinitiv, "BRI Connect: An Initiative in Numbers" (3rd edn.), February 2020, at <https://agsiw.org/wp-content/uploads/2020/02/belt-and-road-initiative-in-numbers-issue-3.pdf>. Accessed on January 25, 2021.

Strategically, silk roads can be considered as China's counter containment strategy: counter United States' "rebalancing" strategy initiated by the Obama administration in the second decade of the 21st century aimed to contain China's rise.⁸ It had two components 'pivot to Asia', which is a naval strategy shifting US focus from the Atlantic to the Indo-Pacific; the other is Trans-Pacific Partnership (TPP), a trade bloc across the Pacific under US leadership. The pivot was to establish a firm US footing in the western Pacific, which includes the East and South China Seas (E/SCS), that China views as its backyard. Instead of direct competition with the US in East Asia, China sought to expand its influence towards the west. In a way, the Land Silk Road is expected to counter US hold over Afghanistan and Central Asia, while MSR is aimed to counter the pivot.⁹ BRI is China's "marching west" strategy aimed to expand China's influence towards the western frontiers and diminish the US' influence in Afghanistan and Central Asia.¹⁰ Land connectivity to the Eurasian frontiers supported by a 'network of ports' from China's southeastern shore to the Mediterranean through the Indian Ocean would provide China greater influence in both land and maritime theatres. The former Soviet Union faced lack of strategic depth in the warm waters to counter US influence in the Indian Ocean during the height of the Cold War.

On the other hand, scholars from Beijing-based China Institute of Contemporary International Relations (CICIR) argue that BRI is a

8. Hillary Clinton, "America's Pacific Century", *Foreign Policy*, October 11, 2011, at <https://foreignpolicy.com/2011/10/11/Americas-pacific-century/>. Accessed on January 25, 2021.

9. Michael Clarke, "Beijing's Pivot West: The Convergence of Innenpolitik and Aussenpolitik on China's 'Belt and Road'?", *Journal of Contemporary China*, vol. 29, no. 123, 2020, pp. 336-53.

10. Yun Sun, "Westward Ho! As America Pivots East, China Marches in the Other Direction", *Foreign Policy*, February 7, 2013, at <https://foreignpolicy.com/2013/02/07/westward-ho-2/>. Accessed on January 20, 2021.

new type of globalisation led by China.¹¹ China has been the largest beneficiary of existing globalisation. The Chinese economy has been integrated with the world economy and has got significant economic achievement, even though it was driven by the US. However, the US set the standards and rules globally; US multinational corporations spread throughout the world, but after the 2008 financial crisis, new rules and standards are necessary to advance the globalisation with a more humane approach. Chinese scholars argue that BRI is a “Chinese led globalisation” with Chinese rules and standards as Chinese enterprises go abroad.¹² Chinese President Xi Jinping pointed out in 2014 that “China must not be a bystander and follower, but a participant and trendsetter, making more Chinese voices heard and injecting more Chinese elements in the institution of international rules and safeguarding as well as expanding China’s development interests.”¹³ For them, Chinese globalisation is different from Western-dominated globalisation; the main feature of the latter has been the global divide between rich and poor, or contradiction between the South and the North, while BRI brings “common prosperity” for all.¹⁴ According to Tian Wenlin, “it is neither a new Marshall Plan nor a new Monroe Doctrine rather it is a plan that calls for the active participation of more countries and it aims to benefit people from all countries.”¹⁵ Marshall Plan had a targeted geographical area—Europe—with political undertones. For them, BRI has no specific geography or political message, its focus is “prosperity for all”.¹⁶ Large and medium Chinese state-owned enterprises are the driving force behind the BRI and are investing in various projects, which include infrastructure, textile, home appliances, steel, building materials, chemical industry, automobile, machinery, mineral processing, and so on, in as many as 138 countries that have joined the BRI.

11. Jiang Yong, “Theoretical Thinking on the Belt and Road Initiative”, *Contemporary International Relations*, vol. 28, no. 4, 2018, pp. 26-39; and Tian Wenlin, “The ‘Belt and Road’ Initiative: A Chinese Concept for Global Development”, *Contemporary International Relations*, vol. 29, no. 4, 2017, pp. 1-20.

12. Yong, n. 11.

13. Wenlin, n. 11, p. 4.

14. Yong, n. 11.

15. Wenlin, n. 11, p. 10.

16. Hong Yu, “Motivation behind China’s ‘One Belt, One Road’ Initiatives and Establishment of the Asian Infrastructure Investment Bank”, *Journal of Contemporary China*, vol. 26, no. 105, 2017, pp. 353-68.

According to Jiang Yong, BRI is a new kind of theoretical formulation to escape from Thucydides' trap, the fear a rising power sparks in an established power. Jiang further states that BRI can bring development and security and mutual trust, rather than fall into a security dilemma. Through the BRI China "offers more money-making opportunity, more development, more security against hegemony and power politics, and seeking for China to maintain regional stability, secure world peace, and eliminate unfair international rules."¹⁷ For him, BRI is a common, comprehensive, cooperative, and sustainable security concept of Asia, a concept conducive to regional security governance, for persons, property, and national security.

In the strategic arena, external behaviour is a reflection of internal political dynamics that the elites chose to follow in order to control the power of the state. The Chinese practice is 'socialism with Chinese characteristics' in which state-owned enterprises are the creators of wealth. As to the Chinese companies going abroad, most of them are state-owned enterprises, and follow similar rules and standards that they have practised at home. In effect, China carries her 'Chinese socialism' into the BRI projects with Chinese rules and standards. They strive to project these rules and standards as a "viable strategic and economic alternative to the current US-led international order".¹⁸ China seeks to create a new world order based on Chinese norms such as Chinese socialism rather than capitalism and profit-making, and cooperation and harmony rather than hegemony and arms race.¹⁹ With the Chinese funds such as Silk Road Fund and Maritime Silk Road Fund and the Chinese-initiated multilateral institutions, the Asian Infrastructure and Investment Bank (AIIB), China will promote "the economic integration of the countries involved in a market economy for which China has set the agenda and established the framework".²⁰ However, the acceptability of Chinese rules and standards is going to become one of the major challenges in China's Eurasian integration process.

17. Yong, n. 11, p. 33.

18. Clarke, n. 9, p. 337.

19. Zhang Yingli, "China's National Security Strategy", *Contemporary International Relations*, vol. 23, no. 3, 2013, pp. 1-12.

20. Christian Dargnat, "China's Shifting Geo-economic Strategy", *Survival*, vol. 58, no. 3, 2016, p. 71.

CHINA'S EURASIAN INTEGRATION

Although many countries from Africa and Latin America have joined in the BRI, the epicentre of the initiative is Eurasia where, with a vast collection of development and investment initiatives, China can effectively establish its economic and political influence, similar to the US in the Western Hemisphere. On the other hand, the US struggles to offer an appealing economic vision to the governments in the region, giving China a much easier roadmap for a Eurasian integration under its leadership.²¹ The interest rate for loans from China is significantly higher than that from western multilateral institutions such as World Bank and International Monetary Fund. China doesn't attach strict conditions to BRI loans, as do World Bank and IMF, so Chinese economic assistance appears to be more attractive.

With the Land Silk Road, China seeks its Eurasian integration—a homogeneous geographical region from the east coast of China to central Europe under Chinese leadership, which is different from a divided Eurasia during the Cold War.²² BRI provides this Eurasian integration with long connectivity through rail, road, communication, power, energy, and so on. The Eurasian zone covers around 65 countries²³ and five major land-based economic corridors—China-Pakistan, China-Mongolia-Russia, China-Central Asia-Western Asia-Turkey, China-Myanmar Economic Corridor, and China-Indochina Peninsula Economic Corridor.²⁴ Indeed, these networks “would knit together economic activity across a geographic region extending from Southeast Asia through Central Asia to Europe”, in which China will have a greater influence on policy matters as well as on foreign policy issues.²⁵ Importantly, China's attention is not to control the

21. Council on Foreign Relations, “Backgrounder: China's Massive Belt and Road Initiative”, January 28, 2020, at <https://www.cfr.org/backgrounder/chinas-massive-belt-and-road-initiative>. Accessed on January 30, 2021.

22. Wenlin, n. 11.

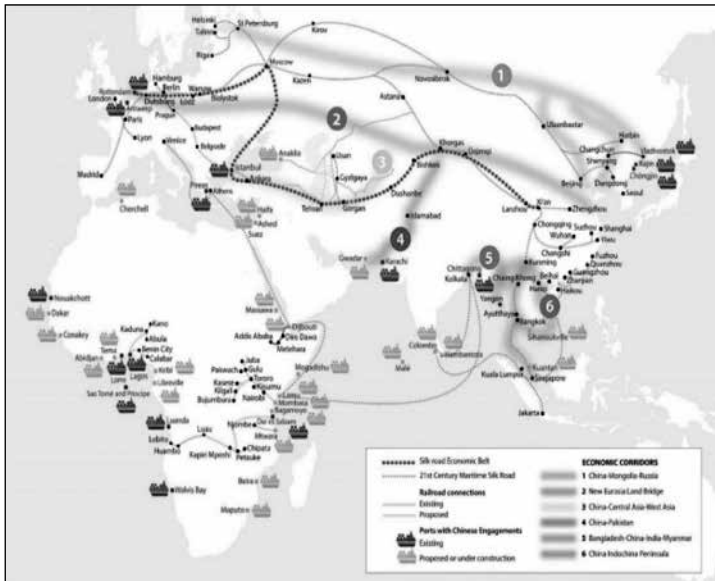
23. BRI participating countries from East Asia up to central Europe, excluding those who are not being connected with BRI, like India, as well as island nations such as the Philippines, Brunei, Indonesia, Sri Lanka and the Maldives, and so on. For details see OECD, “The Belt and Road Initiative in the global trade, investment and finance landscape”, *OECD Business and Finance Outlook 2018* (Paris: OECD Publishing, 2018), p. 9.

24. Dargnat, n. 20.

25. Avery Goldstein, “China's Grand Strategy under Xi Jinping: Reassurance, Reform, and Resistance”, *International Security*, vol. 45, no. 1, 2020, pp. 164-201.

Eurasian region militarily because it would further invite division; instead China looks upon economic dominance by which China can exert its 'economic statecraft' strategy effectively.²⁶ Eventually, China can manipulate these countries' foreign policy choices at various multilateral forums, including at the United Nations.

Figure 1: One (Land) Belt One (Maritime) Road



Source: OECD, "The Belt and Road Initiative in the global trade, investment and finance landscape", *OECD Business and Finance Outlook 2018* (Paris: OECD Publishing, 2018), p. 11.

China seeks to emerge as the engine of connectivity and growth in the Eurasian region. From 2008 to 2016, Chinese investments in Europe increased from Euro 1 to 35 billion in various infrastructure and connectivity projects.²⁷ China has already planned to build the freight railway lines from the inner Chinese cities with Central Asian Republics (CARs) to Russia and Rotterdam, Warsaw, and Hamburg in Europe. Beijing has also taken up various connectivity projects in Europe, which include Mihailo Pupin Bridge in Belgrade; Corridor 11

26. Jain, n. 6.

27. Erik Brattberg and Etienne Soula, "Europe's Emerging Approach to China's Belt and Road", Carnegie Endowment for International Peace, October 19, 2018, at <https://carnegieendowment.org/2018/10/19/europe-s-emerging-approach-to-china-s-belt-and-road-initiative-pub-77536>. Accessed on January 30, 2021.

highway construction, and the extension of coal mines near Kostolac power plant in Serbia; and a 350 km rail project between Belgrade and Budapest to connect Greece's Piraeus port with Central Europe, and across the region at a cost of US\$ 1.1 billion, which will provide China's freight trains access to Mediterranean Seas.²⁸

There are four main factors that drove China's 'marching west' strategy, that is, regional stability; Geo-economics (access to market and sources of energy); Geopolitics (expansion of geopolitical interests from East Asia to Eurasia); and search for 'standardisation' of Chinese rules and standards at par with the European level.

Regional stability. Regional stability holds that the main reason for the instability in the western regions of China such as Xinjiang and Tibet has been its underdevelopment compared to the eastern part of China; if these regions are integrated with the fast growing Central Asia, and further westward to Europe, it would bring prosperity and economic development to the underdeveloped western part of China. For instance, as per the 2014 data, the average individual income in the country's western regions stood at 40 per cent below the average Chinese income; 650 million individuals in China earn less than US\$ 4 per day.²⁹ So the Land Silk Route is expected to promote growth and stability not only in western China but the entire Eurasian region.

Geo-economics. Land Silk Road is expected to create a single market-cum-investment region comprising China and countries from the Eurasian region. As of now various regional countries have formed their regional economic groupings such as the Commonwealth of Independent States (CIS); Eurasian Economic Union (EAEU); and eighteen countries of the European Union, part of the BRI, all of whom have their own regional rules and tariff regimes. BRI may be a supra-informal economic grouping, largely focusing on trade in goods and services and investments; while other agendas of economic groupings like movements of people, human rights issues, labour standards, protection of the environment, and so on would be left to the local organisations. In 2012, China convened a summit of China-CEEC (Central and Eastern European Countries) in Beijing—a

28. Uzma Siraj, Najam Us Saqib and Manzoor Ahmad Naazer, "Eurasian Integration and China's BRI: Opportunities and Challenges", *Liberal Arts and Social Sciences International Journal*, vol. 3, no. 1, 2019, pp. 91-105.

29. Dargnat, n. 20.

group of 11 EU member states and 5 Balkan countries—to promote economic cooperation. This is now widely seen as an extension of the BRI, with three priority areas such as infrastructure, advanced technologies, and green technologies.³⁰ So far, eight meetings have been held and the EU sees it as China's attempt to divide the EU and extend the BRI mechanism into Europe. Showing its displeasure, the European Commission labelled China as a 'systemic rival' and economic competitor.³¹ However, both partners are keen to promote their cooperation and in December 2020 they concluded a Comprehensive Agreement on Investment (CAI) aimed at creating a "better balance in the EU-China trade relationship".³²

Besides, the 'Malacca Dilemma'³³ is still a major source of security concern for China in its energy security calculations. An unhindered access to the source of energy has always been vital to the economic growth of China. BRI could ameliorate the Malacca Dilemma through overland pipeline construction from Central Asia to China and from Gwadar in Pakistan to Xinjiang. This would help China in avoiding direct competition with the United States in its energy security strategy.

Geopolitics. Ever since the US introduced the 'Asia pivot', China has been searching for an alternative strategy to counter the pivot and shift the theatre from its periphery to other areas. Over the years, the US has maintained and expanded its naval dominance in East Asian waters, which is considered a major security threat for China. If China widens the theatre from East Asia to the whole of Eurasia,

30. Jonathan E. Hillman and Maesea McCalpin, "Will China's '16+1' Format Divide Europe?", CSIS, April 11, 2019, at <https://www.csis.org/analysis/will-chinas-161-format-divide-europe>. Accessed on February 2, 2021.

31. Ibid.

32. European Commission, "EU and China reach agreement in principle on investment", December 30, 2020, at <https://trade.ec.europa.eu/doclib/press/index.cfm?id=2233>. Accessed on February 2, 2021.

33. Former Chinese President Hu Jintao labelled the problem of "Malacca Dilemma", to say that around 80 per cent of Chinese oil imports flow through the narrow Malacca Strait which is vulnerable to piracy or interdiction by foreign navies, especially the United States or India. For details see, Joel Wuthnow, "Chinese Perspectives on the Belt and Road Initiative: Strategic Rationales, Risks, and Implications", *China Strategic Perspectives*, No. 12, Institute for National Strategic Studies, National Defense University, Washington, DC, October 2017, at <https://inss.ndu.edu/Portals/68/Documents/stratperspective/china/ChinaPerspectives-12.pdf>. Accessed on February 2, 2021.

creating a continental theatre where China has an upper hand because of its traditional land power security strategy, the US would face an insurmountable difficulty in confronting China. In this regard, the Land Silk Roads are a safe bet against the US' dominance in East Asia. In this geostrategic shift, however, China makes a calculated move focusing only on economic aspects—not political or security dynamics of the region which would irritate Russia, as any political encroachment to the Russian periphery would be construed as an assault on Moscow. As of now, China's focus on Eurasia is economic, rather than political, but gradually Chinese political influence in the Eurasian region will increase.

Search for 'standardisation' of Chinese rules and standards.

With China's interaction with the EU—which is far ahead of China on standardisation of rules and regulations in trade and investments—the rules and standards to be practised in BRI countries in the Eurasian region are expected to be more transparent and rules-based, compared to the rules that China follows in other regions such as Southeast Asia, South Asia, and Africa. For instance, China and the EU agreed at a summit in 2015 to look for synergies between OBOR and the EU's Investment Plan for Europe (the so-called 'Juncker Plan', designed to encourage private investment in infrastructure). China will have to follow the EU's way of doing business in areas such as public procurement, competition policy, and technical standards to make it attractive for European countries. China can learn a lot and improve its domestic policies by following the EU model. In a way, China seeks to emerge as a Eurasian great power more acceptable to European states, to counter US dominance in Asia.

CONCLUSION

The 'marching west' strategy will provide Beijing an almost unfettered access to energy and market sources in the Eurasian region for its domestic economic growth and facilitate China's expansive foreign policy objectives. Dependence on China by BRI countries will be increased with a single market-cum-political region which will help Beijing gain geostrategic advantage against its rivals in Eurasia. Importantly, with the economic corridors west of China

which include China-Pakistan, and China-Central Asia-Western Asia-Turkey, Beijing's influence will be more visible and threatening to the interests of other stakeholders, especially India. China may gradually enhance its interests from politico-economic to the security guarantor of the region similar to how the US does for the western hemisphere. The 21st Century Maritime Silk Route will provide China the role of security guarantor of the Indian Ocean Region, and the Land Silk Route will help it become security guarantor of continental Asia. This will lead to a Chinese encirclement of India without any formal military alliances with the regional countries, which calls for a prudent strategy from New Delhi. The growing India-EU partnerships can address some of the concerns that both have of Chinese dominance of Eurasia. Besides, New Delhi needs to strengthen its relationships with the countries from Central Asia to the Caucasian region to counter China's strategic dominance of the Eurasian region.