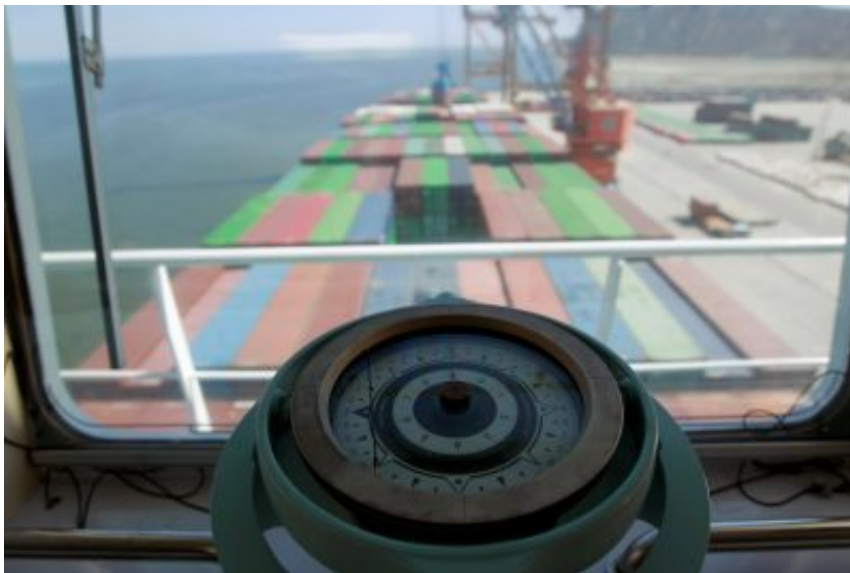


## The Belt and Road Initiative and Asia's changing order

14th November, 2017

Author: Nick Bisley, La Trobe University

In the two days of meetings from 8 November between President Donald Trump and President Xi Jinping in Beijing on Trump's first state visit, it appears that they did not talk at all about the Belt and Road Initiative (BRI). Trump's tour reflected the tendency of his administration to see Asia entirely through the lens of bilateral ties and crises. US Secretary of State Rex Tillerson and Trump have stated that the United States seeks to sustain and protect a free and open Indo-Pacific, but the inability to match that concept with either a meaningful strategic vision or substantive policy was plainly on display.



This absence of strategic thinking about the region is a key reason for the neglect of China's BRI. It is a policy that is monumental in scale, highly strategic in its outlook and reflects Xi's confident and ambitious vision of China's global role. If the United States and its allies want to maintain the underlying economic and strategic status quo in Asia, they need to recognise that they will be doing so at the same time that China is forging ahead with its BRI plans.

The initiative was first announced in a pair of speeches given by Xi in 2013 in Kazakhstan and Bandung, setting out a sweeping but vague vision for improved connectivity between China and the former [Silk Road Corridor](#) <sup>[1]</sup>. At the recent 19th National Congress of the Chinese Communist Party (CCP), the initiative was written into the party's constitution. It is without question the most important element in China's international policy.

At its core, the BRI is about the practical business of connecting peoples and markets through infrastructure. But it also has at least five different strategic functions.

Perhaps the most immediate of these is that it is a means to drive economic growth in China's

deprived southern and western provinces. The aim is both to reduce the huge economic inequalities between the Chinese hinterlands and the coast and to provide a social developmental anchor for parts of China that the CCP has long seen as restive and resistant to Beijing rule. A more prosperous Xinjiang is, from this view, less likely to be susceptible to the allure of 'terrorism and separatism'.

But huge investment in infrastructure is not just about levelling out economic prospects within China: the initiative also aims to improve economic development prospects in China's western periphery. The China–Pakistan Economic Corridor — a sprawling program of pipelines, dams and development projects in Pakistan — is not so much about bringing hydrocarbons from the Arabian Sea to Xinjiang. Rather, it is about improving Pakistan's welfare. A well-off Pakistan is a better market for Chinese goods, a more reliable partner to balance Indian influence and is less likely to be a source of radical Islamist inspiration. That the economic improvement among China's neighbours would also align those countries' interests with Beijing's is an added bonus.

This will also help create more developed markets to consume the higher-end manufactured goods that China's economic reformers aim to create. Importantly, as those markets along the Belt and Road are developed they are also intended to have Chinese industrial standards to become internationalised, further entrenching China's economic advantage. As the United States knows, countries that build infrastructure also set the standards.

A fourth motive — and perhaps one that has been the most prominent in the minds of China hawks — is the BRI's geopolitics. China's dependence on its maritime approaches and their vulnerability to US power has long been a source of concern for the Party leadership. The US navy's submarine fleet is likely to ensure that even if China were to 'leapfrog' aircraft carrier development, the country would remain susceptible to US naval predation. By pivoting west and being able to access markets via continental means, China can overcome the maritime choke points that create submarine vulnerability, thereby gaining much needed strategic depth.

Finally, in developing the BRI's US\$1 trillion infrastructure program that binds states and economies into a China-centred economic and strategic system, China is aiming to weaken existing strategic and institutional structures. In short, the BRI is a crucial part of China's incremental and non-threatening construction of a [new regional order](#) <sup>[2]</sup>. The symbolism could not be clearer from Beijing: we are building bridges, ports and pipelines while you, the United States, are building walls.

More than 60 countries have signed memorandums of understanding with China about the BRI, yet many others (particularly those close to the United States) remain sceptical. [Australia](#) <sup>[3]</sup> seems genuinely perplexed as to how to respond, while [Japan's recent cautious approval](#) <sup>[4]</sup> is the public face of a very sceptical Japanese government. This uncertainty is understandable.

From a US ally point of view, the BRI is a genuinely puzzling program. The region badly needs infrastructure investment and China has the capital, experience and capability to drive this forward. But the initiative will almost certainly increase China's relative strength and further erode the old regional order. As a project in which the geopolitical cannot be disentangled from

the economic, it also frustrates more conventional approaches to international policy.

The BRI's close association with President Xi means that it is going to be the most important component of China's international policy over the coming decade. Equally, as it unfolds it will significantly alter strategic and economic relationships in the region. More broadly, the BRI reflects an ambition to fill in the missing piece of the connectivity puzzle that will create a more China-centred regional order. The question is whether the United States will contest China's efforts or be too busy with its own travails to even realise that there is a competition. If Trump's first nine months in office are any indication, China has the field wide open.

*Nick Bisley is Executive Director of La Trobe Asia and Professor of International Relations at La Trobe University. You can follow him on Twitter at @NickBisley.*

Article from the East Asia Forum: <http://www.eastasiaforum.org>

URL to article: <http://www.eastasiaforum.org/?p=96125>

[1] Silk Road Corridor:

<http://www.eastasiaforum.org/2017/10/25/adding-5-1-to-chinas-belt-and-road-initiative/>

[2] new regional order:

<http://www.eastasiaforum.org/2017/08/31/the-belt-and-road-to-china-based-globalisation/>

[3] Australia:

<http://www.eastasiaforum.org/2017/05/14/will-australia-follow-the-belt-and-road/>

[4] Japan's recent cautious  
approval:

[http://www.eastasiaforum.org/2017/07/09/trump-threat-drives-japan-and-china-closer/?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter2017-07-09](http://www.eastasiaforum.org/2017/07/09/trump-threat-drives-japan-and-china-closer/?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter2017-07-09)