

# "One Belt One Road" and "New Silk Road" for Inclusive Development

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## *I. The "New Silk Road" was not originally intended to be a geopolitical economic strategy.*

The US government's "New Silk Road" program originated from the "New Silk Road" ideas and proposals put forward by Professor Fred Starr, but Professor Starr pointed out that the US government's movement of regarding the "New Silk Road" vision as a geopolitical and economic strategy was not his original intention.

Professor Starr said what he originally proposed was an economic development program that aimed at connecting India and Europe across Afghanistan and Central Asia, in a hope to form a "New Silk Road", like the old Chinese one that connected China and Europe. He believed that as the West-led international troops gradually withdraw from Afghanistan, the reconstruction of Afghanistan has become a major issue confronting the international community and is closely related to the overall development of neighboring Central Asia, South Asia, and West Asia. He pointed out that the "New Silk Road" was intended to build a transportation and economic development network connecting South Asia, Central Asia and West Asia, with Afghanistan as the hub, linking the Central and West Asia of rich oil and gas resources with fast-growing India and even with the East and Southeast Asia that boast many economic "dragons" and "tigers". It is an effort to promote the complementary growth among several regions, as well as to boost economic and social development of the region, including Afghanistan. He explained that although the vision expect India to play an important role, it cannot happen without the participation of China, Japan, South Korea, Turkey and other major powers.

Professor Starr said that this idea has been welcomed by many national governments, businesses and all walks of life in Afghanistan and the rest of Central Asia, South Asia, and West Asia. Afghanistan, India and other countries convened special meetings to discuss how to participate in this program. Kazakhstan proposed to call an international conference

## Introduction>>

In July 2011, in a speech delivered in India, the US Secretary of State Hillary Clinton for the first time clearly proposed the "New Silk Road" program. Since then, the United States has called many meetings of relevant countries to actively promote the program. But after the change of the Secretary of State, the promotion of this program has been toned down. After a dialogue with the proposer of the "New Silk Road" in the United States, the authors believe that China should take advantage of the complementary cooperation between "One Belt One Road" and the "New Silk Road" for the Sino-US inclusive development.

to discuss ways to strengthen cooperation in order to promote the plan. However, after the US government took over the program, especially after Secretary of State Hillary Clinton and other official made remarks on the “New Silk Road”, the initiative seemed to be a geo-political and economic strategy of the United States that seek its leading role in the hinterland of the Eurasian continent and that significantly enhances the role of India. It is in such circumstances that some Chinese scholars wrote reviews to comment on the “New Silk Road”, considering that the plan brings to China “more challenges than opportunities”. Overall, they had a negative comment on the plan, but the Chinese officials did not give a clear response to this.

Professor Starr said he opposed the “New Silk Road” conception as a geopolitical economic strategy or as an effort to contain or reject China. He did not agree with the United States to seek economic and social leadership in the region. He believed that after the troops were withdrawn from Afghanistan, the United States and the West should encourage Afghanistan and countries in the region to play a leading role in its post-war reconstruction. He said that in the sense that China has the opposing sentiment towards the “New Silk Road” program, some people in the United States have proposed a change of program name. Currently, he feels that the US government's attitude on this issue seems a bit hesitant, showing a “blurring” condition, as Secretary of State Kerry is caught in the Middle East mess and has no time to attend to this plan. Therefore, he does not know the US government's next step about new action plan in this regard.

## ***II. The “New Silk Road” vision has the objective economic and market infrastructure***

Professor Starr insisted that if you excluded deliberate politicized factors, the “New Silk Road” concept did have objective economic and market base. He predicted that regardless of the participation in this process of the United States or China, the “New Silk Road” at the economic and trade levels are sure to develop, because it would be conducive to the stability and development of Afghanistan as well as Central Asia, South Asia and West Asia countries and even a good thing for the East Asian countries. He raised he example that the Turkish gas could meet the energy needs of India, China and Pakistan, bringing Afghanistan lucrative transit revenue.

The cotton from Tajikistan could satisfy the demands of the Indian textile industry for raw material. And furniture and fruits of Afghanistan could be sold to Astana, Mumbai and Shanghai, and even Japan and South Korea.

He argued that with the economic globalization, the regional integration among Europe, North America, and East Asia was rapid. And Central Asia, South Asia, and West Asia could also form inter-regional exchange with complementary integration, which was and is the significance of the historical “Silk Road” and today’s “New Silk Road”. In the long run, this trend is irreversible. Therefore, although he was not in favor of the United States’ pursue of dominance in the process, he held that the United States should actively participate in this process, otherwise it would lose the opportunity in the region. He noted that should this vision be politicized, it would cause rouse unnecessary suspicion and even lead to conflict, so that the plan would be difficult to implement. So he opposed the United States to cast a strong political shadow on the “New Silk Road” or to promote it as a governmental geopolitical economic strategy. He also noted that while the US State Department has identified a dozen key projects for “New Silk Road”, hoping to attract the participation of India, Japan, China and other countries involved, but it still carries a strong official sense. It would be better to just let the NGO and business sectors to start the operation. He also suggested that these projects were large-scale infrastructure projects with large investment and slow result, so one should add some projects with less investment and quick results, projects that concern people’s livelihood and benefit the public.

Professor Starr explained the three main reasons for the “New Silk Road” program to place India's participation as the focus. Firstly, India's participation gives this network the complementary strengths, especially as India faces an energy shortage when the West Asia region has abundant oil and gas resources. The oil and gas pipelines from Central Asia, passing Afghanistan and Pakistan to India are significant for Afghanistan to have sustainable fiscal revenue. Secondly, the potential of the Indian economic growth and market expansion is huge, which will be the key to the dynamic and sustainable development of this plan. Thirdly, India is an important “bridge” for the plan to expand to Southeast Asian region, which is also one of the most dynamic regions in global economy. Meanwhile, Professor Starr also considered that the “New Silk Road” also offers a good opportunity for China’s great development initiative of the

western region, the further “open to the West” of the Xinjiang province, the Chinese efforts to build an Eurasian Continental Bridge, its opening-up to the southwest strategy with Yunnan as “bridgehead” and Tibet’s plan to accelerate the building of a major thoroughfare in South Asia etc. So overall it will be conducive to China’s stronger trade and cultural ties with Central Asia, South Asia, and West Asia. Therefore, he argued that China should also actively participate in the program.

### ***III. Reflections on the “New Silk Road” of the United States***

#### **1. The strategic objectives for the US government to implement the “New Silk Road” program**

While Professor Starr claimed that he opposed the “New Silk Road” concept as a geopolitical economic strategy as he stood against the United States’ effort to seek dominance in the economic and social development in the region, the reason why the US government adopted the idea was to achieve its strategic goal to maintain its dominance in Afghanistan and the hinterland of Eurasia. Currently, the US-based international troops have basically withdrawn from Afghanistan. And the Middle East chaos and “Asia-Pacific rebalancing” force the United States to invest heavily. In this context, the US funding in Afghanistan will be drastically cut down, hardly able to shoulder the responsibility of re-building the Afghanistan economy and society, let alone the regional governance of the “Great Central Asia”. However, the United States-launched war in Afghanistan has lasted for 13 years, leaving a real mess there, so it has a moral responsibility for the reconstruction of the country. It is against this background that the “New Silk Road” vision provides an opportunity for the United States to get rid of this dilemma. The US government cannot wait to exalt the “New Silk Road” from an idea to a strategy and to hold high this banner. In this way the international community, especially the neighboring countries in Central, South and West Asia, and even the Southeast and East Asian countries will contribute money and effort and their share of responsibility and obligation to Afghanistan. And by coordinating the involvement and commitment of all parties, the US will be able to maintain its dominance in the post-war reconstruction of Afghanistan and a new round of development in Eurasia.

#### **2. The US version of “New Silk Road” strategy faces two major obstacles in its implementation.**

Although with the vigorous promotion of the United States, its version of the “New Silk Road” strategy is still confronted with two major obstacles. For one thing, the security situation is still worrying. The possibility of a Taliban comeback in Afghanistan cannot be underestimated. The Middle East unrest will persist. The conflict Ukraine is intensified. The rise of the "Islamic State" organization rekindles the Central Asian religious extremists and terrorist groups. In South Asia, the confrontation and arms race between India and Pakistan remain. All will pose serious threats to the reconstruction of Afghanistan and the regional growth. For another, it is difficult to attract investment. Currently, the debt-ridden Europe and Japan with hardly sustainable "Abenomics" have their own difficulties and could not commit too much to the project. Meanwhile, most of the Central, South, West, and Southeast Asian countries are just out of the crisis and have very limited financial capacity. The highly-expected India is also facing multiple difficulties and is discreet in large sums of investment. Overall, it is hard for the United States to attract significant amount of investment. Some experts believe that the US can only attract up to 30% to 50% of the funds needed for the program.

3. It is not impossible for the “New Silk Road” and “One Belt One Road” to achieve inclusive development.

After 2013 when the Chinese leaders put forward the “One Belt One Road” concept, Professor Starr repeatedly expressed that the “One Belt One Road” concept shared common features with his “New Silk Road”. The two concepts could by all means advance hand in hand and cooperate complementarily. I believe that there is competition between “One Belt One Road” and the “New Silk Road”, but it is by no means impossible for them to achieve inclusive development.

This is so said, firstly because the “One Belt One Road” itself highlights strong radiation and inclusiveness. The land and maritime Silk Road in the history has never been a single line, but many routes. With today’s highly developed science and technology and transportation, the “Silk Road Economic Belt” and the “21st Century Maritime Silk Road” are certainly less likely to be a single line. It should consist of multiple lines and form a three-dimensional development in land, sea and air. Historically, the land and maritime Silk Road had limited impact on the regions along the road and belt, as camels, horses and sailing ships covered a limited scope.

But today things are completely different. With the high-speed railways, roads, large aircrafts, ocean vessels and the Internet, the “Silk Road Economic Belt” and the “21st Century Maritime Silk Road” will exert a powerful radiation and extensive influence on the entire Eurasia, Africa, Oceania, and even the whole world. The historic Silk Road had promoted the exchanges among nations, ethnicities and civilizations as well as regional cooperation, but today's “Silk Road Economic Belt” and the “21st Century Maritime Silk Road” are bound to play a greater role. Thus, “One Belt One Road” is inevitably in a competitive relationship with other existing regional cooperation mechanisms; but more importantly, they can also be cooperative and complementary and achieve the win-win goals with inclusiveness. Here, the other regional cooperation mechanisms include the US vision of “New Silk Road” as well as the Eurasian Economic Union highly advocated by Russia.

Secondly, it is also because the inclusive development between “One Belt One Road” and “New Silk Road” will be beneficial to the stable development of Sino-US relations, and therefore will be backed by both sides. As the US moves the strategic focus eastward, the strategic significance of the stable development of western China becomes increasingly prominent. Therefore, the United States’ withdrawal of its troops from Afghanistan and its active promotion of economic and social development in the region carry more advantages than disadvantages for China’s stable development, especially the steady progress of the west. So the opportunities outweigh the challenges. International observers believe that to carry out the “New Silk Road” program, the focus will be on actual investment rather than empty talk. In terms of economic strength, China is the strongest in the region, so China's active participation is indispensable. And the United States is well aware of that. Meanwhile, the US government is currently confronted with severe economic weakness and financial stress and in lack of domestic support for Afghanistan and the “Great Central Asia” economic strategy. So it needs to cooperate with other countries and pays special attention to China's attitude, which is probably why they proposed to change the name of the program as they sensed China’s opposition mood. In short, the complementary cooperation and inclusive development between “One Belt One Road” and the “New Silk Road” will enable China to play a constructive role in the reconstruction of Afghanistan and regional development issues. It will not

only facilitate the friendly cooperation between China and countries in Central, South, and West Asia, but also enable China and the US to form new areas of cooperation in the reconstruction of Afghanistan and other issues, which will be conducive to the new relations between the two big powers, to a favorable international environment for China, and especially to the security of the neighboring region.

President Xi Jinping pointed out that “exchanges in over two thousand years of history have proven that countries with different races, faiths or cultural backgrounds can enjoy peace and common prosperity if they uphold the principles of unity and mutual trust, equality and fairness, tolerance and mutual learning, as well as cooperation and win-win. This is a valuable inspiration left by the ancient Silk Road.” This inclusive and insightful vision should be principle guiding the handling of the relationship between “One Belt One Road” and the “New Silk Road”.

*Translated by Wang Youping*