

## Will Trump make China great again? The Belt and Road Initiative and international order

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In 2013 the direction of future Chinese international leadership was set out with Chinese president Xi Jinping's launch of what is now known as the 'belt and road initiative' (BRI), formerly 'one belt, one road' (OBOR). The 'belt' refers to the Silk Road Economic Belt, which focuses on bringing together China, Central Asia, Russia and Europe, linking China and the Indian Ocean with the Persian Gulf and the Mediterranean Sea through Central Asia. It consists of a network of overland routes and railroads, oil and natural gas pipelines, and power grids. The 'road' refers to the 21st Century Maritime Silk Road, which is designed to go from China's coast to Europe through the South China Sea and the Indian Ocean in one route, and from China's coast through the South China Sea to the South Pacific in the other. It consists of a network of ports and other coastal infrastructure projects. In the four years since its official launch, some 60 countries across its Eurasian area have expressed their interest in partnering with this BRI program. To date, it is unclear what exactly such 'partnering' involves, but it is clear that expressions of interest in projects are welcomed and that Chinese investments are expected.<sup>1</sup> A strategic initiative launched from the highest level of government, the BRI is backed by substantial financial as well as political firepower. The initiative is understood as the concrete manifestation of previous visions such as 'harmonious world' and 'peaceful development', as well as of Xi's 'Chinese dream' of national rejuvenation from national humiliation.<sup>2</sup> As such, many expect that it will be a key determinant of the direction not only of China's future, but of the world's future as it negotiates the anticipated rise of China to growing levels of wealth and power.

This article focuses on what may appear to be contradictory directions of development expressed through the BRI, namely the push towards networked capitalism on the one hand, and the focus on the Chinese national unit on the other. It argues that the networked capitalism and the national unit are both imagined, and by extension potentially exercised, through the BRI in mutually supporting ways. Networked capitalism is not challenging the national spatial unit, or *vice versa*. Rather, they fuse in ways that reinforce Chinese government narratives that portray China as the new trailblazer of global capitalism, which it will lead better than the United States, specifically illustrating and justifying a new Sinocentric order in and beyond East Asia. Likely winners of this constellation, if successful, are megalopolises in Eurasia, and most of all the Chinese Communist Party (CCP). Likely losers are countries who are not included in the BRI, most notably the United States.

In making this argument, this article draws on a range of official and unofficial sources to understand how the BRI is expressed, and not, in contemporary Chinese elite discourse. Official documents and elite interviews enable us to examine how Chinese elites are interpreting and elaborating on official Chinese government narratives, and how they seek to portray such narratives to foreign audiences in particular. This article therefore provides an account of how Chinese elites are imagining and communicating the BRI, how this portrayal chimes with academic analyses of the BRI inside and outside of China, and what the effects of such imaginaries may be, if successful. Of course, these imaginaries are not representative of what all Chinese people think about the BRI – the 'silk road' imaginary has long historical roots and expressions in popular culture, art and various social strata, some of which align well

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<sup>1</sup> Beijing expert interview, September 2017.

<sup>2</sup> William A. Callahan, *China Dreams: 20 Visions of the Future* (Oxford: Oxford University Press, 2013); Astrid H. M. Nordin, *China's International Relations and Harmonious World: Time, Space and Multiplicity in World Politics* (Abingdon and New York: Routledge, 2016); Peter Ferdinand, 'Westward ho—the China dream and "one belt, one road": Chinese foreign policy under Xi Jinping', *International Affairs*, 92:4, Summer 2016, pp. 941-957.

with government and elite narratives, and some which challenge these more or less directly. They should also not be understood to necessarily correspond entirely with empirical realities and activities that have taken place under the BRI heading to date – though these imaginaries are important in shaping what happens ‘on the ground’, and are in turn shaped by the success or otherwise of concrete activities. Finally, this article discusses two dominant imaginaries of the BRI, as defined by networked capitalism or by the national unit, but does not suggest that these two imaginaries cover all elite discourse, or all academic debate. The BRI is attracting a lot of commentary from both academics and pundits and will continue to do so for the foreseeable future – this article represents a part of a larger analytical jigsaw puzzle that will continue to be built for some time.

Following Norman Fairclough’s critical discourse analysis, we use the term ‘imaginaries’ here to denote the element of discourses or narratives that ‘not only represent the world as it is (or rather is seen to be)’, but that are also projective, ‘representing possible worlds which are different from the actual world, and tied in to projects to change the world in particular directions’.<sup>3</sup> These imaginaries are thus elements of wider discourses, which we in turn understand as ‘ways of representing aspects of the world – the processes, relations and structures of the material world, the ‘mental world’ of thoughts, feelings, beliefs and so forth, and the social world’.<sup>4</sup> These imaginaries, and the broader discourses of which they are part, constitute part of the resources that people deploy in relating to one another and in seeking to change the ways in which they relate to one another.

The richness of competing discourses amongst and beyond Chinese elites cannot be fully covered in our discussion here, but the dominant discourses we do discuss are important because of their predominance both in academic and in Chinese elite discourses. They are key determinants of how Chinese elites are imagining China’s present and future relations with the world, and of the way academics are interpreting those relations. Our argument is therefore relevant to scholars interested in China’s relations with the world, in world order, or in the geopolitical imagination of global networks and national units. Such networks and national units have been commonly understood to contradict one another, especially in debates on China.<sup>5</sup> This article provides a concrete example of where Chinese elite imaginaries (and potentially associated practices) do not conform to the idea of such contradiction. Our argument should also be of interest to policy makers and others who want to make sense of Chinese elite imaginaries of the BRI, in order to adjust their own activities to their likely or possible ramifications.

One important source for understanding this elite discourse are the official speeches and documents where the government has outlined its policy. A full chronology of what the party-state considers to be key events in the development of the BRI is provided through the website of the State Council, from which we have chosen to focus here on the more well-developed documents.<sup>6</sup> Most presentations of this framework, including in Chinese government documents, begin with reference to a speech by Xi in Kazakhstan in September 2013, which

<sup>3</sup> Norman Fairclough, *Analysing discourse: Textual analysis for social research* (New York: Routledge, 2003), p. 124.

<sup>4</sup> Fairclough, *Analysing discourse*, p. 124.

<sup>5</sup> cf. Astrid H. M. Nordin, *China’s International Relations and Harmonious World: Time, Space and Multiplicity in World Politics* (Abingdon and New York: Routledge, 2016).

<sup>6</sup> State Council of the PRC, ‘Chronology of China’s Belt and Road Initiative’, 28 March 2015, [http://english.gov.cn/news/top\\_news/2015/04/20/content\\_281475092566326.htm](http://english.gov.cn/news/top_news/2015/04/20/content_281475092566326.htm).

proposed the creation of an overland ‘Silk Road economic belt’ from China to Europe, during a visit to Central Asia that included the summit of the Shanghai Co-operation Organisation (SCO). At the summit for Asia Pacific Economic Cooperation (APEC) in Indonesia the following month, Xi followed on this launch to promote also a ‘twenty-first century maritime Silk Road’ from China to Africa and Europe, reiterated at the subsequent East Asia Summit. Both ideas were prominent at the high-level party-state work forum on ‘neighbourhood’ or ‘periphery’ diplomacy (*zhoubian waijiao gongzuo zuotanhui*) later that month. These initially vague statements were more systematically laid out in the *Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road* (hereafter the vision document) issued by the National development and Reform Commission, Ministry of Foreign Affairs and the Ministry of Commerce, with State Council authorization.<sup>7</sup> Chinese government representatives continue to make regular speeches and publish official documents about the development of BRI, further communicated through the dedicated BRI section of the website of the State Council.<sup>8</sup> The BRI also features in China’s 13<sup>th</sup> five year plan, which outlines the country’s key priorities for 2016-2020 and dedicates a chapter to the aim to ‘Move Forward with the Belt and Road Initiative.’<sup>9</sup> Finally, more recent articulations of the BRI can be seen in official speeches at high-level fora, including the World Economic Forum in Davos where Xi gave the keynote in January 2017, and the Belt and Road Forum in Beijing that he inaugurated in May 2017. These official articulations of the BRI are all important, because they show us how the party-state would like us to perceive this initiative.

We complement our reading of these key official documents by also considering Chinese academic and wider elite discourse on the matter, accessed through journal articles, books, blogs, news articles, and ethnographic fieldwork and interviews with scholars in China. Much of our analysis draws on elite interviews conducted in China in 2014-17. Interviewees were selected through a strategic sampling method. All interviewees are individuals with personal insight from Chinese foreign policy development after the BRI’s announcement in 2013. They were chosen based on likely level of intimate knowledge of BRI proceedings, willingness to speak openly on the topic, and access.<sup>10</sup> Interviews were semi-structured, and conducted face-to-face, via video link, and by email correspondence.

The article is divided into four sections. The first section shows how existing literatures have understood the BRI as primarily an expression of capitalist drives for economic gain, or the attempted discursive construction of a Sino-centric order. The second section argues instead that the two are mutually reinforcing, and productive of a narrative that portrays China as the new leader of global capitalism. The third section argues that such leadership implies a displacement of American leadership, illustrating and justifying a new Sinocentric order in and

<sup>7</sup> National Development and Reform Commission, Ministry of Foreign Affairs, Ministry of Commerce of the PRC, ‘Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road’, 28 March 2015, [http://english.gov.cn/archive/publications/2015/03/30/content\\_281475080249035.htm](http://english.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm). Hereafter, ‘Vision document’.

<sup>8</sup> State Council of the PRC, ‘The Belt and Road Initiative’, accessed 22 May 2017, <http://english.gov.cn/beltAndRoad/>.

<sup>9</sup> CCP, *The 13th Five-Year Plan for Economic and Social Development of the Prc*, trans. Compilation and Translation Bureau (Beijing: Central Compilation & Translation Press, 2015), ch 51.

<sup>10</sup> In comparison with non-elites, access to elites is regarded as particularly difficult because they, by their very nature, “establish barriers that set their members apart from the rest of society.” (Hertz and Imber 1995a: viii. Also see Adler and Adler 2003; Zhang 2008)

beyond East Asia. The final section concludes with comments on who is likely to benefit and not if the BRI as currently envisaged is successful.

### **Capitalist network or national unit?**

A majority of existing literature on the BRI falls into two broad categories. The first strand of literature understands it as primarily or exclusively a capitalist undertaking, pursued in order to enrich Chinese stakeholders and contribute to continued GDP growth for China. This primarily economic logic is unsurprisingly emphasized by many scholars who draw on Marxist theory or on liberal arguments about economic interdependence. The second strand of literature understands it instead as primarily a discursive strategy that seeks to rhetorically position China as the leader of a Sino-centric Asian order, and ultimately a new and better world order led by China. As one may expect, this primarily geostrategic logic is emphasized by many scholars who draw on constructivist notions of national identity as well as by realists who think about a balance of power in national zero-sum terms. Both strands of literature have significant bases in official Chinese documents, and both echo previous academic debates on China's role in the world.

The strand that sees BRI as primarily a capitalist endeavour includes a range of literatures that focus on material gains, the export of Chinese over capacity, and the need for economic development of China's western regions.<sup>11</sup> This strand of thinking has been particularly well developed by Tim Summers, who draws on Manuel Castells' understanding of the global political economy through the metaphor of a 'network society'.<sup>12</sup> In this conceptualisation, the global political economy is increasingly dominated by global networks between metropolitan regions. Capital, information, technology and elites easily flow through the nodes of these networks, but labour does not. This spatial configuration of nodes in global networks is understood in terms of a shift away from a previously dominant allocation of resources based on national spaces or 'surfaces'.<sup>13</sup> A key reason for this understanding is that the five 'connections' or 'connectivities' that are to be prioritised according to the 2015 BRI vision document amount to a platform for enhancing the flows of capital, goods and consumers (as tourists or students) across Eurasia. These five cooperation priorities are policy coordination, facilities connectivity (infrastructure, logistics, communications, and energy infrastructure), unimpeded trade (free trade areas, customs cooperation, balancing trade flows, and protecting the rights of investors), financial integration (linking internationalisation of the renminbi and the establishment of new development banks), and finally 'people-to-people bond' (such as tourism and student exchanges).<sup>14</sup> The understanding of these flows in terms of a network of

<sup>11</sup> For example, Christopher K. Johnson, 'President Xi Jinping's 'Belt and Road' Initiative: A Practical Assessment of the Chinese Roadmap for China's Global Resurgence', *CSIS Report*, 28 March 2016, [https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160328\\_Johnson\\_PresidentXiJinping\\_Web.pdf](https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160328_Johnson_PresidentXiJinping_Web.pdf); Michael D. Swaine, 'Chinese Views and Commentary on the "One Belt, One Road" Initiative', *China Leadership Monitor* 47, Summer 2015, pp. 1-24; Weidong Liu and Michael Dunford, 'Inclusive globalization: unpacking China's Belt and Road Initiative', *Area Development and Policy* 1:3, 2016, pp. 323-340; Nicola Casarini, 'When All Roads Lead to Beijing. Assessing China's New Silk Road and its Implications for Europe', *The International Spectator* 51: 4, 2016, pp. 95-108.

<sup>12</sup> Manuel Castells, *The Rise of the Network Society*, 2nd ed. (Oxford: Blackwell, 2010); in Tim Summers, 'China's "New Silk Roads": Sub-National Regions and Networks of Global Political Economy', *Third World Quarterly* 37: 9, 2016, pp. 1635-37.

<sup>13</sup> Summers, 'China's "New Silk Roads"', p. 1636, with reference to Arif Dirlik, *Global Modernity: Modernity in the Age of Global Capitalism* (Boulder, CO: Paradigm Publishers, 2007), p. 24.

<sup>14</sup> Vision document, IV.

metropolitan nodes is regularly made visible in reports on the investments that feature stylised maps, including those published by official news agency Xinhua, that proliferate in other news and social media, as well as in academic texts. Such maps typically depict the BRI by illustrating dotted lines that connect dots that represent major cities like Guangzhou, Kuala Lumpur, Nairobi, Moscow, Tehran, Istanbul, and Rotterdam.<sup>15</sup>

The strand that sees BRI primarily in terms of the discursive construction of a Sino-centric order tends to deploy geostrategic language,<sup>16</sup> focus on the ‘China Dream’ and Chinese government calls to develop a ‘Silk Road spirit’ (*silu jingshen*),<sup>17</sup> or draw comparisons with the United States’ Marshall Plan for Europe after the second world war<sup>18</sup>. William A. Callahan’s contribution to this strand of literature has been particularly strong in articulating how the BRI contributes to reconstituting regional, and eventually global, order with new governance ideas, norms, and rules.<sup>19</sup> He understands the BRI as contributing to a redirection of Chinese foreign policy since Xi became leader of the Chinese party-state in 2012, where it combines with new ideas (like the ‘Chinese Dream’ and the ‘Asia Dream’), new policies (like ‘comprehensive diplomacy and security’), and new institutions (like the Asia Infrastructure Investment Bank, AIIB) to build what Xi calls a ‘community of shared destiny’ (*gongtong mingyunti*), and which Callahan shows to be Sinocentric.<sup>20</sup> Xi is explicit that Asian cooperation must expand from the mutual benefit that has long been touted by Beijing, to also promote ‘shared beliefs and norms of conduct for the whole region’.<sup>21</sup> Such shared beliefs include commonly repeated ideas like mutual respect, mutual trust, reciprocity, equality, and win-win, but also traditional Chinese ideas of a hierarchical regional system with parallels in the historical ‘tributary system’. Notably, the very term ‘peripheral diplomacy’ (*zhoubian waijiao*) assumes that China is at the centre and other countries are at the margins. Such a view has also been underlined by official comments, such as when Foreign Minister Yang Jiechi told south-east Asian leaders in 2010 that ‘China is a big country and other countries are small countries, and that’s just a fact’.<sup>22</sup> Callahan moreover points out that economic activities like those discussed above are leveraged to build a ‘community of shared destiny’ in Asia, which in turn will enable China to set normative agendas and rules of the game for global governance.<sup>23</sup>

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<sup>15</sup> For example Xinhua, ‘Belt and Road Initiative’, 24 June 2016, [http://news.xinhuanet.com/english/2016-06/24/c\\_135464039.htm](http://news.xinhuanet.com/english/2016-06/24/c_135464039.htm).

<sup>16</sup> Theresa Fallon, ‘The New Silk Road. Xi Jinping’s Grand Strategy for Eurasia’, *American Foreign Policy Interests* 37:3, 2015, pp. 140–147; Tom Miller, *China’s Asian Dream: Empire Building along the New Silk Road* (London: Zed Books, 2017).

<sup>17</sup> Lia Xing and Wan Wanga, ‘The “Silk Road Economic Belt” and the “China Dream” Relationship: A Strategy or Tactic’, *Sociology Study* 5:3, 2015, pp. 169–175; Nadège Rolland, ‘China’s new silk road’ *The National Bureau of Asian Research. NBR Commentary*, 2015, p. 3; Ferdinand, ‘Westward ho’.

<sup>18</sup> Michelle Penna, ‘China’s Marshall Plan: All Silk Roads Leading to Beijing?’, *World Politics Review*, 6, Winter 2014; Shannon Tiezzi, ‘The New Silk Road: China’s Marshall Plan?’, *The Diplomat*, 6 November 2014, <http://thediplomat.com/2014/11/the-new-silk-road-chinas-marshall-plan/>

<sup>19</sup> William A. Callahan, ‘China’s “Asia Dream”: The Belt Road Initiative and the New Regional Order’, *Asian Journal of Comparative Politics* 1:3, 2016, pp. 226–243.

<sup>20</sup> Callahan, ‘China’s “Asia Dream”’, pp. 226, 227, 228.

<sup>21</sup> Xi Jinping, *The governance of China*, Beijing: Foreign Languages Press, 2014), p. 327, see Callahan, ‘China’s “Asia Dream”’, p. 231.

<sup>22</sup> John Pomfret, ‘U.S. Takes a Tougher Tone with China’, *Washington Post*, 30 July 2010, <http://www.washingtonpost.com/wp-dyn/content/article/2010/07/29/AR2010072906416.html>.

<sup>23</sup> Callahan, ‘China’s “Asia Dream”’, pp. 228.

## **Narratives of capitalist networks and a nationalist Chinese unit converge to portray China as the leader and protector of capitalism.**

Both the literatures above make valid and important points about China's changing role in the current world order. It is typical for literatures that fall into one of the strands to also acknowledge the relevance of the other. Here, we build on both strands together, to emphasise and further reflect on the mutual entwinement of the two logics they put forward.

In the broader literatures on geography and space, the two types of logic described above are sometimes seen as contradictory, where the spatialisation of networked nodes is understood to conflict with or supersede the nationalist imaginary of the modern state system as consisting of integral and mutually exclusive units or surfaces. This used to be a commonly held view in early commentary on globalisation, for example, and still underpins many popular and media narratives today. Such a tendency can also be seen in literatures on the BRI, many of which understand it as either an economic or a geopolitical project. Along similar lines, Summers recognises that the need to maintain autonomy is an essential underpinning of China's joining global capitalism, but nonetheless insists that 'it is primarily the economic and commercial drivers – the logic of China's role in reproducing a global capitalist economy – which lie behind the elevation of building infrastructure across the Eurasian continent into a strategic belt and road initiative'.<sup>24</sup> Recent literatures on spatial imaginaries in China have provided an alternative or corrective to analyses that see the two imaginaries as opposed, and show instead how spatial ideas of bounded units and unbounded networks are deployed in mutually supportive ways in Chinese official and academic discourse.<sup>25</sup> Here, we argue that the BRI perpetuates such mutual reinforcement of unitary nationalist and networked capitalist logics.

The collocation of the networked and unit-based imaginaries of space is immediately visible from the kinds of maps discussed above. Notably, the maps that depict the BRI by illustrating metropolitan dots connected by lines do not do so against a plain white background, but typically superimpose that illustration of networks on a standard Mercator map of national territories. Visually, the two imaginaries clearly co-exist.

In rhetorical and practical terms, Xi's policy as well as much of the academic commentary on the BRI, are highly nationalistic and take 'China' as their main point of reference. In such commentary, China will be able to maintain its territorial integrity if it can be powerful enough to deter others from 'interfering' in its 'internal affairs', which includes the management of what Beijing terms 'splittist' movements in regions such as Tibet, Xinjiang, and Taiwan. A central way of building such imagined power, and maintaining territorial integrity, is to continue the remarkable (but slowing) economic growth that China has enjoyed since the beginning of reform and opening up in the early 1980s. It is precisely the expectation of China's continued economic growth that attracts others to its world view and development model. At the same time, the Chinese state and its discourse of greatness is also a key driver of the capital investment that enables the BRI infrastructure and other forms of 'connectivity' to be built. As Summers also underlines, the BRI has been accompanied by institutional innovations that will make possible the investment to implement the infrastructure connectivity outlined in the

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<sup>24</sup> Summers, 'China's "New Silk Roads"', pp. 1637, 1638.

<sup>25</sup> Astrid H. M. Nordin, 'Space for the Future: Exhibiting China in the World at the Shanghai Expo', *China Information* 26:2, 2012, pp. 235-49; Nordin, *China's International Relations and Harmonious World*; William A. Callahan, 'The Cartography of National Humiliation and the Emergence of China's Geobody' *Public Culture* 21:1, 2009, pp. 141-73.

vision document, particularly in the form of a Silk Road Fund to be capitalised to \$40 billion and the Asian Infrastructure Investment Bank (AIIB) for which \$100 billion will be raised.<sup>26</sup> The Belt and Road Forum in Beijing in May 2017 was Xi's flagship event to bring the BRI forward, and involved the announcement of further Chinese funding for the project: an additional RMB 100 billion (\$14.5 billion) into the Silk Road Fund; new lending schemes of 250 billion (\$36.2 billion) and RMB 130 billion (\$18.8 billion) set up by the China Development Bank and Export-Import Bank respectively, for BRI projects; and RMB 60 billion (\$8.7 billion) provided by China for humanitarian efforts focused on food, housing, health care, and poverty alleviation.<sup>27</sup> These are state-led initiatives that are motivated by Xi's Chinese dream of 'national rejuvenation,' which, as Callahan shows, involves the BRI in visions of Chinese rise to leadership of a Sinocentric world order. Simply put, the discourse of China's national power and territorial integrity rely on simultaneous discourses about its role as the key driver of capitalism, and *vice versa*. Others go along with that narrative because Xi invites them to board 'the express train of China's development'.<sup>28</sup>

There are of course questions to be asked about the express train narrative, as the successful implementation of BRI is in no way a done deal. One major issue is whether there are enough profitable projects to go around to make BRI a long-term success, as it is clear from the outset that political demands conflict with profitability. A good example here is the BRI railway routes, most of which need government subsidies (an average of USD 3500-4000 per trip for a 20-foot container).<sup>29</sup> Chinese state and state-backed funding is extensive, but not unlimited.<sup>30</sup> This problem is further exacerbated by the fact that many countries along the BRI are unstable with poor sovereign credit rating, almost by default getting China involved in complex geopolitics. Two good examples here are problems related to Ukraine and Central Asia, both of which are important areas in the building of the Silk Road Economic Belt outside Russian control. China had put great effort into developing good relations with the Ukraine at the time of Russian annexation of Crimea in 2011, and now finds itself at the epicentre of geopolitical struggle.<sup>31</sup> Central Asia is in turn an unstable region with complex geopolitics involving a large number of external actors, which makes it an area of high risk investment. Our interviews indicated a sense amongst Chinese elites that while Chinese leaders are aware of risks related to the BRI, in particular in the security area, its preparedness for bad loans may be less good.<sup>32</sup>

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<sup>26</sup> Summers, 'China's "New Silk Roads"', p. 1637; *Vision document*, VII.

<sup>27</sup> Shannon Tiezzi, 'What Did China Accomplish at the Belt and Road Forum?', *The Diplomat*, 16 May 2017, <http://thediplomat.com/2017/05/what-did-china-accomplish-at-the-belt-and-road-forum/>.

<sup>28</sup> Xi Jinping, 'President Xi's Speech to Davos', *World Economic Forum*, Davos, 17 January 2017, <https://www.weforum.org/agenda/2017/01/full-text-of-xi-jinping-keynote-at-the-world-economic-forum>.

<sup>29</sup> Andrea Brinza, 'China's Continent-Spanning Trains Are Running Half-Empty', *Foreign Policy*, 5 June 2017, <https://foreignpolicy.com/2017/06/05/chinas-continent-spanning-trains-are-running-half-empty-one-belt-one-road-bri/amp/>

<sup>30</sup> The AIIB's capital base is USD100 billion, which is twice as much as the European Bank for Reconstruction and Development the European Bank for Reconstruction and Development. The combined capital base of the AIIB and other China-led initiatives as the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA) of about USD250 billion, which is roughly on par with the World Bank. European Political Strategy Centre, 'The Asian Infrastructure Investment Bank: A New Multilateral Financial Institution or a Vehicle for China's Geostrategic Goals', *EPSC Strategic Notes*, Issue 1/2005, 24 April, [https://ec.europa.eu/epsc/sites/epsc/files/strategic\\_note\\_issue\\_1.pdf](https://ec.europa.eu/epsc/sites/epsc/files/strategic_note_issue_1.pdf).)

<sup>31</sup> Märta Carlsson, Susanne Oxenstierna and Mikael Weissmann, *China and Russia: a study on cooperation, competition and distrust*, Försvarsanalys, Totalförsvarets forskningsinstitut (Stockholm: FOI, 2015), pp. 75-77.

<sup>32</sup> Interview, Chinese expert based in Shanghai, November 2017.

Xi made the ‘express train’ comment as part of a speech to the World Economic Forum in Davos, which he was the first Chinese president to ever attend in January 2017. In his speech, Xi called for world leaders to ‘keep to the goal of building a community of shared future for mankind’ and argued that ‘while developing itself, China also shares more of its development outcomes with other countries and peoples.’ He argued that ‘[r]apid growth in China has been a sustained, powerful engine for global economic stability and expansion.... And China’s continuous progress in reform and opening-up has lent much momentum to an open world economy.’ Xi promised that China will:

strive to enhance the performance of economic growth ... boost market vitality to add new impetus to growth ... and enable the market to play a decisive role in resources allocation ... foster an enabling and orderly environment for investment ... expand market access for foreign investors, build high-standard pilot free trade zones, strengthen protection of property rights, and level the playing field to make China’s market more transparent and better regulated ... foster an external environment of opening-up for common development .... advance the building of the Free Trade Area of the Asia Pacific and negotiations of the Regional Comprehensive Economic Partnership to form a global network of free trade arrangements.

In other words, the president of China stood amongst world leaders and promised that China would be a defender, promoter and leader of global capitalism and free trade. He concluded his list of promises with a discussion of the BRI as an example and promise of such leadership: ‘The “Belt and Road” initiative originated in China, but it has delivered benefits well beyond its borders’.<sup>33</sup> This speech thereby repeated the language of capitalism and economic growth rolled out in the vision document, which states that the BRI is ‘designed to uphold the global free trade regime and the open world economy ... [i]t is aimed at promoting orderly and free flow of economic factors, highly efficient allocation of resources and deep integration of markets’.<sup>34</sup> This narrative is also repeated in the 13<sup>th</sup> five-year plan, according to which BRI ‘will actively engage in negotiations with countries and regions along the routes of the Belt and Road Initiative on the building of free trade areas’ as part of speeding up its free trade area strategy.<sup>35</sup> In both the vision document and the five-year plan, the emphasis is on regional ‘hubs’ as the focus for the envisaged connecting pipelines and corridors.<sup>36</sup> The same rhetoric was again key to Xi’s narrative at the May 2017 Belt and Road Forum, where he pledged that the initiative would ‘uphold the multilateral trading regime, advance the building of free trade areas and promote liberalization and facilitation of trade and investment’.<sup>37</sup> It is not yet entirely clear to what extent the BRI offers a different version of capitalism. Xi’s Davos speech, the vision document and the five-year plan jointly indicate that on a rhetorical level at least, Xi is trying to reassure world leaders that he wants to maintain the existing free trade system, by ironing out some of its problems and continuing to open up markets. One of our interviewees accordingly summed up the BRI as an economic cooperation model that is government led and market driven.<sup>38</sup> Others, however, see it as a new economic model after the global economic

<sup>33</sup> Xi Jinping, ‘President Xi’s Speech to Davos’.

<sup>34</sup> *Vision document*, I.

<sup>35</sup> CCP, The 13th Five-Year Plan, ch 52, section 2.

<sup>36</sup> CCP, The 13th Five-Year Plan; *Vision document*.

<sup>37</sup> Xi Jinping, ‘Full text of President Xi’s speech at opening of Belt and Road forum’, *Belt and Road Forum*, Beijing, 14 May 2017, [http://news.xinhuanet.com/english/2017-05/14/c\\_136282982.htm](http://news.xinhuanet.com/english/2017-05/14/c_136282982.htm)

<sup>38</sup> Interview, Chinese scholar, Sep 2017.

system has moved beyond both mercantilism and the free market.<sup>39</sup> BRI, on such a view, is part of a third model, which moves beyond the US-led free market model, but which remains capitalist. While there was no consensus among our interviewees on whether or not the BRI represents a new model, a number of features were emphasized throughout, with all describing the BRI as market driven, government led, non-legalistic and investment focused.<sup>40</sup> To cite one interviewee, ‘China gives a choice between rules-first projects and an investment-first approach. . . It is an offer of engagement, without [the same] rules [as is often preferred in the West].<sup>41</sup> And of course, the BRI is not detached from domestic politics. BRI is a geo-economic plan, a continuation of the national development plan, and a new version of ‘opening up’ for which reform of the Chinese economic structure is needed, moving away from the need to attract FDI.<sup>42</sup>

This Chinese economic leadership of the capitalist order will furthermore be supported by others adopting a set of values that the BRI narratives and the vision document refer to as the ‘Silk Road spirit’ of ‘peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit’. Though defined by the Chinese party-state, it is said to be ‘shared by all countries around the world’.<sup>43</sup> These comments may appear innocuous enough – indeed who could disagree with peace and mutual benefit? Yet, such rhetoric very much follows the underpinning narrative of ‘harmony’, which has been part and parcel of Chinese foreign relations since Hu Jintao’s leadership, and which has been shown to imagine harmony as an ideal to which Chinese elites have privileged access, but which is simultaneously said to be shared by everybody in the world.<sup>44</sup> As our interviews for this article have made clear, Chinese elites also understand the BRI to provide a clear direction beyond economic interests.<sup>45</sup> Through such narratives, a ‘rhetorical trap’ is arguably set up, where the ‘representational force’ of Chinese party-state rhetoric pushes the audience to either agree with the stipulated understanding of China and of capitalism, or declare itself as belonging on the ‘wrong’ side of the divide between peaceful and unpeaceful, harmonious and disharmonious, joiners and outsiders.<sup>46</sup> The audience that may be caught in such a ‘rhetorical trap’ are in this instance primarily foreign government and business representatives who cannot accept to see themselves as unpeaceful, disharmonious, or outsiders to this imagined insider community. However, as a similar rhetoric is aimed at wider populations as well as elites within China and in Chinese language, this ‘trap’ has a direct domestic parallel.

Unsurprisingly, a certain scepticism of the BRI has emerged among a number of other regional powers. Not least, India has been a vocal opponent of BRI as it includes close cooperation with its arch-rival Pakistan, in particular in the form of the China-Pakistan Economic Corridor

<sup>39</sup> Interviews, Beijing, Nov-Dec 2015.

<sup>40</sup> Interviews with Chinese scholars in Beijing (Non-Dec 2015, Nov 2017) and based in Shanghai and Hong Kong (Nov 2017).

<sup>41</sup> Interview, Beijing-based scholar, Sep 2017.

<sup>42</sup> Interview, Beijing, Nov-Dec 2015.

<sup>43</sup> Vision document, preface.

<sup>44</sup> Nordin, *China's International Relations and Harmonious World*.

<sup>45</sup> Interviews, Beijing, Nov-Dec 2015.

<sup>46</sup> cf. Janice Bially Mattern, ‘Why “Soft Power” Isn’t So Soft: Representational Force and the Sociolinguistic Construction of Attraction in World Politics’, *Millennium* 33:3, 2005, pp. 583-612; Linus Hagström and Astrid H. M. Nordin, ‘Are Soft and Hard Power Inevitably Intertwined? The Politics of Harmony in China, the West and Japan’, paper presented at WISC, Taipei, 1-3 April 2017.

(CPEC), that passes through Kashmir that the Indian government understands as occupied by Pakistan. It also undermines the Indian vision of itself as the big man in South Asia. Needless to say, Chinese commentators argue that Indians over-react.<sup>47</sup> Japan has similarly shown some concerns. The initiative may imply a new and potentially expansionist vision for its historical opponent China, which if successful is likely to contribute to a power shift from Japan and the US to China. The BRI also intrudes into markets where Japan has an interest and presence, thereby creating competition.<sup>48</sup> In Australia, defence hawks argue that liberal commentators who embrace the networking logic of economic interdependence are naive about Beijing's geopolitical intentions.<sup>49</sup> These concerns have at least some validity, as Chinese foreign policy, including the BRI, is embedded in domestic concerns for regime survival and political stability. The BRI here facilitates two key factors of regime-legitimisation: continuing economic growth and nationalism.<sup>50</sup> When it comes to the survival of the one-Party state, there is no value in the BRI unless it contributes to at least one of these.

It is important to emphasize that the BRI is neither simply a government project, nor only a business endeavor, but an initiative where both sides are needed to push the scheme forward. As one of our interviewees described it, the '[g]overnment builds platforms for the companies to perform what they would like to', and what businesses want to do is make a profit.<sup>51</sup> Although a joint endeavor, the Chinese government plays a crucial role, both because BRI projects are heavily dependent on government-to-government cooperation and because Beijing is a direct or indirect source of finance. This said, what counts as a BRI project is not set in stone, and what is in the end labelled 'BRI' in official statistics is a subjective and ultimately political question. For example, several Chinese real estate companies call anything they build BRI.<sup>52</sup> The same pattern occurs outside of China, for example in Sweden where anything that can be linked to infrastructure is now routinely labelled a BRI project.<sup>53</sup> There is also an emerging practice among private investors to work with the Chinese government bid for projects, in particular in Africa and in developing countries with less-than rigorous relevant rules and regulations.<sup>54</sup> When it comes to financing, the Chinese government has expressed a clear hope for risk-sharing with international financial markets, but to date the BRI remains heavily dependent on loans from state-owned banks and other forms of Chinese seed money.<sup>55</sup>

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<sup>47</sup> Interview, Chinese expert, Beijing, December 2015.

<sup>48</sup> Wade Shepard, 'Did Japan Just Jump On China's Belt And Road Bandwagon? *Forbes*, 11 July 2017, <https://www.forbes.com/sites/wadeshepard/2017/07/11/has-japan-just-jumped-on-chinas-belt-and-road-bandwagon/#20ff4dfb7ccb>. This viewpoint was also expressed in interviews in Beijing, December 2015.

<sup>49</sup> James Laurenceson and Elena Collinson 'Belt and Road will go ahead with or without Australia.' *The Interpreter*, 22 May 2017. <https://www.lowyinstitute.org/the-interpreter/belt-and-road-will-go-ahead-or-without-australia>.

<sup>50</sup> Mikael Weissmann, 'Chinese Foreign Policy in a Global Perspective: A Responsible Reformer "Striving For Achievement".' *Journal of China and International Relations* 3: 1, 2015, p. 156.

<sup>51</sup> Interview, Shanghai based scholar, September 2017.

<sup>52</sup> Interview, Chinese scholar, September 2017.

<sup>53</sup> Mikael Weissmann and Elin Rappe, *Sweden's approach to China's Belt and Road Initiative: Still a glass half-empty*, UI paper 2017:1.

<sup>54</sup> Interview, Chinese scholar, September 2017.

<sup>55</sup> Interviews, Chinese scholars, Septermber 2017. For some data, see for example Gabriel Wildau and Ma Nan 'China new "Silk Road" investment falls in 2016,' *Financial Times*, May 11 2017 <https://www.ft.com/content/156da902-354f-11e7-bce4-9023f8c0fd2e>, and Gabriel Wildau and Ma Nan, 'In charts: China's Belt and Road Initiative,' *Financial Times*, May 11 2017, <https://www.ft.com/content/18db2e80-3571-11e7-bce4-9023f8c0fd2e>.

## Narratives of capitalist networks and a nationalist Chinese unit converge to portray China as the better alternative to American leadership.

The vision document is articulated in terms of the repeated imperative ‘we should,’ and though China is clearly behind the ‘vision’ and the subsequent ‘plan,’ the ‘we’ to which such calls refer is somewhat ambiguous. In comparison to previous generations of leadership, and the recommendations of some Chinese academics, Xi’s administration is uncharacteristically open about China’s and Xi’s own bid for leadership. The vision document makes clear that ‘[i]n advancing the Belt and Road Initiative, China will fully leverage the comparative advantages of its various regions,’ and president Xi and premier Li Keqiang are providing ‘[h]igh-level guidance and facilitation’ for the initiative.<sup>56</sup> In his 2017 speeches to the World Economic Forum and the Belt and Road Forum, Xi was clear that it was *he* who had launched the BRI.<sup>57</sup> As such, the BRI is a step up from previous leadership slogans, such as Hu’s ‘harmonious world,’ that remained very much rhetorical outside China’s own borders. Where previous slogans were more ambivalent about Chinese leadership, and regularly looked back to Deng Xiaoping’s suggestion that China should hide its strength and bide its time, the BRI shows Xi’s readiness to take on new levels of leadership, in both word and deed. As one of our academic interviewees put it, the BRI is best understood as ‘the essence of the realisation of the Chinese dream and the rejuvenation of our nation … It is the framework for foreign policy in the coming decades to come’.<sup>58</sup>

Under such Chinese leadership, BRI narratives claim to be open to all countries, but the vision document specifically refers to the connectivity of ‘Asian, European and African continents’ and simply tacks on a reference to ‘the rest of the world’ in one instance.<sup>59</sup> At the Belt and Road Forum, these were said to be the focus of the BRI, but that the initiative was also open to cooperation partners from the Americas.<sup>60</sup> Nonetheless, the most notable absence from such official BRI narratives remains the United States. The official plans for the BRI rarely mention the United States, but as Callahan notes it ‘haunts China’s aspirations as a ghost that is both attractive (China likewise wants to be the global hegemonic power) and repellent (China insists that it will be a benevolently superior global power)’.<sup>61</sup> Notably, Xi’s Davos speech came not long after Donald Trump’s inauguration as president of the United States, and Trump himself was not present for either the World Economic Forum or the Belt and Road Forum. Though the Trump administration was perceived by many as unpredictable, many spotted a clear contrast between Xi’s keen leadership of capitalist development and a United States perceived as pursuing a new inward-looking and protectionist direction, more keen to demand than to lead.<sup>62</sup> This understanding was reinforced from within the Trump administration, where then senior political adviser Steve Bannon, a lead author of Trump’s inaugural speech, was among those who cited the contrast: ‘I think it’d be good if people compare Xi’s speech at Davos and

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<sup>56</sup> *Vision document*, VI, VII.

<sup>57</sup> Xi, ‘Xi’s speech at opening of Belt and Road forum’; Xi, ‘President Xi’s Speech to Davos’.

<sup>58</sup> Interview at Peking University, Beijing, Nov-Dec 2015.

<sup>59</sup> *Vision document*, VIII, I.

<sup>60</sup> Xi, ‘Xi’s speech at opening of Belt and Road forum’.

<sup>61</sup> Callahan, ‘China’s “Asia Dream”’, p. 228.

<sup>62</sup> For example Noah Barkin and Elizabeth Piper, ‘In Davos, Xi Makes Case for Chinese Leadership Role’, *Reuters*, 18 January 2017, <http://www.reuters.com/article/us-davos-meeting-china-idUSKBN15118V>.

President Trump's speech in his inaugural. You'll see two different world views'.<sup>63</sup> In the run-up to this new development, both official documents and our interviewees towed the lines that the BRI will lead to 'a new type of major power relations' (*xinxing daguo guanxi*) and that it will contribute to rather than challenge the existing international order.<sup>64</sup> This relatively new concept focuses on mutual respect and the management of differences to ensure mutually beneficial cooperation – what China calls 'win-win cooperation' – and an avoidance of conflicts and confrontation.<sup>65</sup> The concept tends to focus on Sino-US relations, though as argued by Pang it is possible to include other 'new types' of great powers such as Russia, the EU, India and Brazil, and possibly all G20 countries.<sup>66</sup> BRI is important here, as it is the clearest manifestation to date of China's attempts to manifest itself as a major global actor. If the BRI is successful, new great power relations will be needed or emerge by default, and the initiative itself with the new leadership role it implies for China requires such facilitating relations to be developed. It is not farfetched for commentators to therefore understand Xi's speech as a proposition to world leaders to insert China in the leadership vacuum left by Trump's expected isolationism and Europe's continuing internal problems, if they want to continue and improve the existing capitalist and free market order. Even if the Trump administration will be limited to 4-8 years, and Europe's internal problems might be solved (though this seems unlikely at the moment), the current vacuum is nevertheless a window of opportunity that Xi Jinping and the Chinese government have ceased upon. Even if we see a new US foreign policy and a revival of Europe in the relatively near future, the Chinese power-position will be stronger than before as a result of recent developments.

This displacement of the United States is not only visible by its absence from official BRI documents and from the maps that illustrate it. It is also underlined when the vision document repeats the common line that 'China is committed to shouldering more responsibilities and obligations within its capabilities', by embracing an alleged 'trend towards a multipolar world'.<sup>67</sup> Chinese officials and academics are typically careful to note that China opposes hegemonism (on the sometimes unspoken understanding that the United States promotes it), but scholars have noted that the alternatives offered often look surprisingly much like the hegemonism they claim to oppose.<sup>68</sup> Most notably, the Sinocentric worldview espoused in both official and academic rhetoric in China operates through a dichotomisation of China and

<sup>63</sup> Robert Costa, 'Bannon Calls Trump's Speech "Jacksonian"', *The Washington Post*, 20 January 2017, [https://www.washingtonpost.com/local/2017/live-updates/politics/live-coverage-of-trumps-inauguration/bannon-calls-trumps-speech-jacksonian/?utm\\_term=.bbd8c160f399](https://www.washingtonpost.com/local/2017/live-updates/politics/live-coverage-of-trumps-inauguration/bannon-calls-trumps-speech-jacksonian/?utm_term=.bbd8c160f399).

<sup>64</sup> Interview at Peking University, Beijing, Nov-Dec 2015.

<sup>65</sup> An extensive debate on this concept and its meanings has taken place in China, see Hao Q., 'China Debates the "New Type of Great Power Relations", *The Chinese Journal of International Politics*, 8:4, 2015, pp. 349–370. For a critical view, see e.g. Andrew S. Erickson and Adam P. Liff, 'Not-So-Empty Talk: The Danger of China's "New Type of Great-Power Relations" Slogan,' *Foreign Affairs*, Snapshot October 9 2014, <https://www.foreignaffairs.com/articles/china/2014-10-09/not-so-empty-talk>.

<sup>66</sup> Pang Zhongying, 'Xinxing daguo guanxi bu zhuanzhi ZhongMei' ('The New Type of Great Power Relations Does Not Solely Refer to China-US Relations'), 9 September 2013, [http://opinion.huanqiu.com/opinion\\_world/2013-09/4335238.html](http://opinion.huanqiu.com/opinion_world/2013-09/4335238.html).

<sup>67</sup> Vision document.

<sup>68</sup> Astrid H. M. Nordin, 'Hegemony in Chinese? *Ba* in Chinese International Relations', in Lion Koenig and Bidisha Chaudhuri, eds., *The Politics of the 'Other' in India and China: Western Concepts in Non-Western Contexts* (London: Routledge, 2015), pp. 206-215; Lindsay Cunningham-Cross and William A. Callahan, 'Ancient Chinese Power, Modern Chinese Thought', *Chinese Journal of International Politics* 4:4, 2011, pp. 349-374.

the United States, where China's goodness is contrasted to American badness.<sup>69</sup> Another prime example of this rhetorical strategy in BRI narratives is the tendency for English language commentary on the BRI coming from China to emphasise that it is different from the Marshall plan because, as Wenhua Shan, Editor-in-Chief of *The Chinese Journal of Comparative Law*, puts it:

Unlike the Marshall Plan, it does not exclude any countries, nor is it intended to serve any purposes of international power struggle. Rather it intends to explore a new model of international cooperation and global governance on the basis of the ‘Silk Road Spirit’, i.e., the spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefits.<sup>70</sup>

It is interesting that such comments are now so commonplace,<sup>71</sup> when the Marshall plan was also formally open, but Soviet States chose not to join, but form Comecon instead. Most significantly, it contributes to a rhetoric where China provides the open, equal and mutually beneficial alternative to an American-led world order that is by contrast portrayed as exclusionary, unequal and power grabbing.

The attempted replacement or displacement of the United States in BRI rhetoric bears out in particularly significant ways in relation to the Asian region, over which the narration and implementation of Chinese leadership becomes particularly notable and controversial. The idea for BRI was originally put forward by prominent academic Wang Jisi, in a 2012 article for the *Global Times*, at the same time that Xi was transitioning into leadership of the party-state.<sup>72</sup> He argued that China should react to America's ‘pivot to Asia’ under president Obama by ‘marching west’ to expand economic and security ties with its western neighbours. The idea was that this would keep China and the US out of direct competition, and able to cooperate around shared interests in continental Eurasia. Xi took up the suggestion to expand westwards, but chose at the same time to focus on East Asia too.

As Callahan points out in his article on the BRI and the new regional order, the BRI is part of a new Chinese ‘peripheral diplomacy’ (*zhoubian waijiao*) since 2013, which others argue signifies either a shift to Asia that displaces a previous focus on Europe and the United States, or a new direction that (re)balances China's relations with Asia, Africa, Europe and China more appropriately.<sup>73</sup> The vision document and surrounding rhetoric go to significant lengths to

<sup>69</sup> Nordin, *China's International Relations and Harmonious World*, ch 5; William A. Callahan, ‘Identity and Security in China: The Negative Soft Power of the China Dream’, *Politics*, 35:3-4, 2015, pp. 216-229.

<sup>70</sup> Shan Wenhua, ‘The “Silk Road Spirit” in a Time of Globalization’, *OUP blog*, 23 May 2016, <https://blog.oup.com/2016/05/silk-road-spirit-globalization/>.

<sup>71</sup> Other examples can be found in Wang Y Wei, ‘China's “New Silk Road”: A Case Study in EU-China Relations’, in Alessia Amighini and Alex Berkofsky, eds., *Xi's Policy Gambles: The Bumpy Road Ahead* (Milan: Italian Institute for International Political Studies, 2015); Shen Dingli, ‘China's “One Belt, One Road” Strategy Is Not Another Marshall Plan’, *China US focus*, 16 March 2015, <http://www.chinausfocus.com/finance-economy/china-advances-its-one-belt-one-road-strategy/>; Xiaoming Liu, ‘New Silk Road Is an Opportunity Not a Threat’, *Financial Times*, 24 May 2015, <https://www.ft.com/content/c8f58a7c-ffd6-11e4-bc30-00144feabdc0#axzz3fNJQzpYV>.

<sup>72</sup> Wang Jisi, ‘“Xijin”, Zhongguo Giyuan Zhanve De Zai Pingheng’ [‘Westward March’, China's Geostrategic Rebalance] *Huanqiu shibao*, 17 October 2010, [http://opinion.huanqiu.com/opinion\\_world/2012-10/3193760.html](http://opinion.huanqiu.com/opinion_world/2012-10/3193760.html).

<sup>73</sup> Callahan, ‘China's “Asia Dream”’, pp. 226-227; Michael D. Swaine, ‘Chinese Views and Commentary on Periphery Diplomacy’, *China Leadership Monitor*, 44:1, 2014, pp. 1-43.

emphasise that although this is a Chinese initiative, it represents ‘a common aspiration of all countries along their routes’.<sup>74</sup> In the same period that Xi has developed the BRI, he has criticized the existing security architecture in Asia, which is built around bilateral security treaties between the United States and its allies. In what Callahan terms an ‘Asia-for-Asians’ argument, Xi has argued that ‘[i]n the final analysis, it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia. The people of Asia have the capacity and wisdom to achieve peace and stability in the region through enhanced cooperation’.<sup>75</sup>

### **Who are the likely winners and losers from the BRI?**

In this article, we have suggested that the BRI is important both as a driver of networked capitalism and as an expression of a grand narrative of China as a unified state. We have argued that these two forms of spatialisation are not mutually exclusive, but rather come together in BRI narratives. The effect is a joint narrative that portrays China as the leader and protector of capitalism, and a better alternative to American leadership. Who, then, is most likely to gain from such an arrangement, and who is more likely to lose out?

The winners and losers of the BRI will of course depend on the continued development of the initiative, on the state of the global economy as a whole, and on the success or otherwise of its various components. It is by no means a foregone conclusion that the BRI will be a success. If the BRI *does* succeed in developing in the way envisaged by the Chinese government, however, the clear capitalist drive identified by Summers means that we can expect megalopolises across Eurasia in particular – the key nodes of the network – to experience an economic upturn. Other places connected to the key network, including in East Africa and the South Pacific, may also stand to benefit economically by access to the envisaged lines of connectivity. Such economic strength may of course benefit some and not others, depending on how the resulting wealth is distributed and on how other things of value, such as local cultures or the environment, are negotiated in relation to this capitalist drive. As Summer also notes, where money, goods, and certain communications may flow relatively freely in network capitalism, labour does not. This will no doubt cause tensions along the belt and road, as growth is unevenly spread and capital migrates away from locales where it has been focused to date.

One major issue with networked capitalism in the context of BRI is the possible impact of large scale movements of populations. There are legitimate worries that BRI projects will result in a migration flow of Chinese migrants that will not return to China. Based on extant data and literature on Chinese migration flows, it is to be expected that the BRI will bring with it a movement of Chinese people, including workers, state employees, entrepreneurs and accompanying families to countries along the Belt and the Road alike, though it is still too early to assess the extent.<sup>76</sup> It is also difficult to assess how they are likely to impact on and be received in host countries. On the one hand, skilled migration may contribute to employment, capital accumulation and income in their destination countries, but on the other hand there is a risk that Chinese labourers may cause tensions and negative feelings as they risk being seen to

<sup>74</sup> Vision document, VIII.

<sup>75</sup> Xi Jinping, ‘New Asian Security Concept for New Progress in Security Cooperation’, *China.org*, 28 May 2014, [http://www.china.org.cn/world/2014-05/28/content\\_32511846\\_2.htm](http://www.china.org.cn/world/2014-05/28/content_32511846_2.htm).

<sup>76</sup> Raya Muttarak, *Potential Implications of China’s ‘One Belt, One Road’ Strategies on Chinese International migration*, Working Papers 05/2017, Vienna Institute of Demography, Austrian Academy of Sciences, Vienna, [https://www.oeaw.ac.at/fileadmin/subsites/institute/vid/pdf/publications/working\\_papers/wp2017\\_05.pdf](https://www.oeaw.ac.at/fileadmin/subsites/institute/vid/pdf/publications/working_papers/wp2017_05.pdf).

compete for low-wage jobs.<sup>77</sup> In addition, a certain suspicion towards the intentions of China and Chinese populations in for example Russia, Central Asia and India also risk creating conflict. There have already been sporadic clashes along the path of the BRI, for example in Kyrgyzstan and Uzbekistan. Even if long term settlement is not the purpose of migration, it is likely to happen. While migration can come with human resource elements, as can be seen in parts of Africa where Chinese investment helps build the capacity of local works, ‘whole industry chain export’ is a common form of Chinese export in Africa and elsewhere.<sup>78</sup> It is clear that migration that will by default follow the BRI needs to be addressed, and so far there seems to be little preparedness for handling such issues in China. Whether by design or not, migration and related risks are real and difficult to avoid.

Having said this, the biggest winner from BRI success would no doubt be the Chinese Communist Party (CCP). It is commonly understood that the legitimacy of party-state rule, or at least consent to it, relies on the combination of economic growth and nationalism.<sup>79</sup> The party-state has been relatively successful at convincing Chinese citizens that only the CCP has the will, strength and ability that are necessary for delivering a better living standard for the Chinese people and a territorially unified and culturally great Chinese nation. The election of Donald Trump as United States president and the British decision to leave the European Union based on a popular referendum have both boosted the Chinese government’s claim that liberal democracy leads to self-harm and bad outcomes. If the BRI enables the Chinese party-state to position itself as the leader of a more stable, open and mutually beneficial international development than these Western systems are perceived to offer, it will further secure its rule through increased legitimacy or consent in the eyes of the domestic Chinese audience.

Vis-à-vis other countries and peoples, the vision document follows on the elsewhere common trope of ‘win-win’ cooperation, which declares its values and desires to be everybody’s values and desires.<sup>80</sup> For example, the vision document begins its conclusion by proclaiming: ‘Though proposed by China, the Belt and Road Initiative is a common aspiration of all countries along their routes’.<sup>81</sup> As we have seen, the ‘Silk Road spirit’ is said to be shared by ‘all countries in the world.’ However, even if this claim is true, the BRI focuses on benefiting Asia and to some extent Europe and Africa with an emphasis in the belt and road on ‘countries along their routes’.<sup>82</sup> This indicates that even if everybody wins, some will likely win more than others. Neither the US nor the rest of North and South America are included along the route, though they may be able to cooperate with the initiative, for example as investors. As the lofty initiative materialises into more concrete plans and actions, it will likely become clear who will gain less – or lose more – from this new amalgam of Chinese nationalism and capitalist expansion.

<sup>77</sup> Muttarak, *Potential Implications of China’s ‘One Belt, One Road’ Strategies*, p. 7.

<sup>78</sup> Sun Yun, ‘China and the East Africa railways: Beyond full industry chain export,’ Brookings, *Africa in Focus*, July 6 2017, <https://www.brookings.edu/blog/africa-in-focus/2017/07/06/china-and-the-east-africa-railways-beyond-full-industry-chain-export/>. The same capacity building dimension was also emphasised in our interviews (Interview, Chinese scholar, September 2017).

<sup>79</sup> Weissmann, Mikael “Chinese Foreign Policy in a Global Perspective: A Responsible Reformer “Striving For Achievement”, *Journal of China and International Relations*, 3: 1, 2015, pp. 151-66.

<sup>80</sup> Nordin, *China’s International Relations and Harmonious World*.

<sup>81</sup> *Vision document*, VIII.

<sup>82</sup> *Vision document*, VIII.

Xi's high profile organisation of the Belt and Road Forum in May 2017 already began to show signs of such division between those countries that see themselves as benefiting from the BRI in both economic and geostrategic terms, and those that do not. The event was attended by representatives from 66 countries and organisations, participants included state leaders such as Russia's Vladimir Putin and Turkey's Recep Tayyip Erdogan, and many delegations made great pains to publicly praise the initiative. However, state leaders from the United States and its G7 allies were notably absent, though an American delegation ended up participating (reportedly as a last-minute decision). The difficulties of maintaining China's all-inclusive approach also became visible, for example, when it welcomed a North Korean delegation at the same time as Pyongyang launched its latest missile test, to international criticism. In a different setback, several EU countries stated their general support for the initiative, but declined to sign a key trade statement that the Chinese leadership had hoped to produce from the forum. Concerns over transparency of public procurement and social and environmental standards were said to cause their reluctance.<sup>83</sup> India decided to completely boycott the event, citing similar concerns, but more importantly displeasure at the China-Pakistan Economic Corridor. The corridor is a BRI-labelled infrastructure project that will run through Kashmiri areas that India considers to be occupied by Pakistan. In an ironic twist, India came out in open criticism of the BRI stating that no country could join a project that disregards its core concerns of sovereignty and territorial integrity.<sup>84</sup> These are principles that Chinese government actors regularly claim to defend, and much of the Chinese claim to better global leadership relies on the portrayal of China respecting other countries' sovereignty where the US or a more general 'West' is said not to. Despite these difficulties, Xi and his party-state have now put so much money and prestige into the BRI that backing out or scaling back seems unlikely – and unexpectedly, Chinese media hailed the event as a great success. Xi announced that a second forum will be held in 2019.

Despite the fact that support for the BRI is likely to be tempered as the initiative becomes more concrete, its ability to rally support to date stands in stark contrast to the United State's 'America first' policy stance under President Donald Trump. In line with this wider rhetoric, President Trump has denounced several free trade agreements as unfair to American workers, and pledged to withdraw the US from the Trans-Pacific Partnership (TPP) agreement. The most likely replacement for TPP as the Asia-Pacific trade agreement is the Beijing-backed Regional Comprehensive Economic Partnership (RCEP) agreement.<sup>85</sup> This agreement would allow China to 'claim to be setting the rules of trade for Asia' while American firms would be locked out of preferential benefits and access to Asian markets that their regional rival received as a result.<sup>86</sup> President Xi has also suggested that it would be a possibility for TPP's expected members to join RCEP. Ironically, Trump might ultimately enable Xi's dream of making China great again.

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<sup>83</sup> AFP, 'China decries protectionism, but Europeans rain on Silk Road parade', *AFP*, 15 May 2017, <http://www.sbs.com.au/news/article/2017/05/15/china-decries-protectionism--but-europeans-rain-silk-road-parade>.

<sup>84</sup> Indrani Bagchil, 'India slams China's One Belt One Road initiative, says it violates sovereignty', *Times of India*, 14 May 2017, <http://timesofindia.indiatimes.com/india/china-road-initiative-is-like-a-colonial-enterprise-india/articleshow/58664098.cms>.

<sup>85</sup> The RCEP includes China, the ten Association of Southeast Asian Nations (ASEAN) member-states, Australia, India, Japan, South Korea and New Zealand. The United States is excluded.

<sup>86</sup> Bhavan Jaipragas, 'Will Trump Cause Southeast Asian Nations to Pivot to China?', *South China Morning Post*, 18 December 2016, <http://www.scmp.com/week-asia/geopolitics/article/2055305/will-trump-cause-southeast-asian-nations-pivot-china>.

Of course, Xi's success does not depend on Trump alone, in particular not as his time in power will be 8 years at most, whilst the BRI vision is set up for the long term. However, it is clear that Trump's approach to foreign policy has been a window of opportunity for China, which China has used skilfully to promote and put forwards its international leadership. There are also other possible obstacles for the BRI, including delicate relationships with other major powers in the region. With its focus on connectedness, it is not good for the project if some countries do not want to be part of the project. However, as a vision rather than a clear plan, the BRI has a good deal of flexibility when it comes to possible implementation creating space to by-pass non-partners. In that sense, countries defaulting or misappropriating Chinese loans might in fact be an even bigger problem, as that is a problem which is more difficult to get around. One final problem would be how to go about inducing cooperation from both governments and dissident minorities that may disrupt transport flows or the success of investments, not least as China traditionally takes a strong position against dissident minorities. These challenges all mark areas in need of more research, as solid data is essential if policy makers inside and outside China are to be able to predict and handle these problems.