

## Analytical Overview of Beijing's Belt & Road Corridors

Ijaz Khalid\* Syed Umair Jalal† Muhammad Bilal‡

- p- ISSN: 2520-0348
- e-ISSN: 2707-4587
- ISSN-L: 2520-0348

### Headings

- Abstract
- Key Words
- Introduction
- Conceptual Framework of 'OBOR'
- Economic Corridors of BRI
- Political and Financial Cooperation Mechanisms
- OBOR Significance for China
- OBOR Multiple Challenges
- Conclusion
- References

### Abstract

*This paper explores the rationale and factors that led to the adoption of Beijing's Belt and Road Initiative. The study analysis the land corridors in detail and investigate its progress and challenges posed to each corridor. This paper aims to find out the real motives behind the overall concept of Belt and Road corridors and the benefits that it brings to China and participant states. Additionally, the paper examines the origin, capacity and extortions faced to BRI while making it a reality. This project plans greater trade and industrial activities through energy and communication infrastructure, activating of ports and construction of economic zones. The studies found that the project is more than just an economic investment corridor which will further boost PRC economy; it is also a strategic asset for the Chinese government which could provide strategic depth against its rival's powers like the US and its allies which are trying to contain China.*

**Key Words:** China, Belt & Road Initiative, Analysis, Corridor, South Asia, Middle East

### Introduction

Beijing Belt and Road Initiative will integrate PRC with the rest of the world including Asia, Europe, and Africa through larger connectivity and trade bonds. It will expand China's influence over the areas traditionally controlled by India, such as South Asia and the Indian Ocean (Hafeez Ullah Khan, 2018). The BRI includes more than sixty countries; with the collective GDP (Gross Domestic Products) of 33 percent of the world wealth; 60 percent of the world population; and 75 percent of the world energy reserves (Rolland). This initiative will take advantage of the international ports and transport lines of the countries which are included in the BRI project. This project also provides a geopolitical platform for the entire regional countries to discuss and resolve their disputes with dialogues in a peaceful way.

There are six economic corridors that are created for different economic to bring win-win results among the countries which are part of Megaproject. International observers argue that the OBOR project is a plan of the Chinese government to find new markets for their exports and getting access to warm waters of the Indian Ocean. The BRI Economic corridors will provide important links between economic cores that are usually centralized in urban landscapes (Khalid, 2018). These corridors also provide visa and transport agreements, infrastructure development, standardizations, oil and gas pipelines, railroads and optical fiber network systems. These corridors will contribute a better life to its regional people and quality education, health facilities and better social services.

Additionally, this initiative provides regional integration to the countries which are formally part of this project as it has its own objectives, mutually cooperation agreements and common guidelines. States integrate on various objectives such as political, environmental, defense, social and economic (Khalid,

\*Demonstrator, Department of Political Science, Abdul Wali Khan University, Mardan, KP, Pakistan.

Email: [ijazkhalid@awkum.edu.pk](mailto:ijazkhalid@awkum.edu.pk)

† MPhil Scholar, Department of Political Sciences, University of Peshawar, Peshawar, KP, Pakistan.

‡ Assistant Registrar, Women University Swabi, Swabi, KP, Pakistan.

2018). Regional Economic Integration (REI) includes mutual cooperation for reducing inter-regional trade barriers and enhancing cross-border trade. The Chinese dream project is a magnificent plan to connect Europe, East Africa and Asia economically. Yet, Indian policy experts comprehended it as geo-economic expansionism that posed geopolitical threats to New Delhi.

China has invited India to participate in BRI projects but New Delhi has refused and argued that OBOR is a unilateral and national initiative of China it has nothing to do with us (New Delhi, India) (Khalid, 2018). The second quarrel of New Delhi was the CPEC project, which is part of BRI. India claims that the current CPEC route linking Xinjiang to Gawadar Port passing through Gilgit-Baltistan which is disputed territory and part of Kashmir (MS Malik, 2018). Indian's perceives that by joining the OBOR project, it will strengthen Pakistan's occupation of that region.

In the twenty-first century, the charter of the international structure of power is going to transform with the rise of China into great-power status. BRI is the vehicle that will hasten China's influence in the age of American distraction. China is trying to change the status quo of the US (United States) in Asia and the regions where Washington dominated. In Indian's perceptions, Beijing belief in Chinese superiority and Indian inferiority, which have restricted the constructive dialogues between the two neighbors (Khalid, 2018). Indian policy experts claim that Beijing has never to accept Indian supremacy in regions of South Asia and the Indian Ocean, as it seems resolute to build its own dominance (Kaura, 2017).

For countering the Chinese dominance particularly in Indian Ocean Region (IOR), and ensuring its maritime security and national interest, India has conducted its maritime diplomacy at three levels; high-level bilateral visits to countries around the Indian Ocean; reviving the civilizational and cultural links with the initiative like 'Project Mausam'; and lastly, regional cooperative means (Padmaja, 2015). BRI provides the nations an opportunity to integrate for economic benefits. Moreover, it will also manage conflicts through peaceful means among the states which are part of the BRI project. If India seriously desires to increase its economic growth than they have no option better than dream project (Garlick, 2017).

### **Conceptual Framework of 'OBOR'**

Beijing BRI projects have many objectives including linking Asia, Europe and emerging markets of African states. The Silk Road Economic focuses on the land connectivity and the Maritime Silk Road concentrates on Beijing SLOC to connect China with Europe through the Indian Ocean and South China Sea (Hong Kong Trade Development Council, 2016).

### **Objectives of BRI**

What does exactly China hope to achieve? Do different elite scholars have a different opinion on what China's ambitions are? Diverse objectives are the targets of BRI including, policy coordination, trade liberalization financial integration and building infrastructure throughout Asia, Europe and Africa.

### **To Enhance Policy Coordination**

The first objective of the major initiative of BRI is to enhance the policy harmonization across the Asian Continent. Policy coordination is economic policy, trade policy, investment policy, and any other aspect of the policy that the Chinese government will be fascinated in pursuing. Some observer's claims that in context of so-called "China Model" the policy could assume a different meaning because there is palaver about Chinese government promoting a "China Model" in opposition of "New Liberal Model" of Washington consensus, which is based on stronger market, free market and free trade and Chinese model is often seems a counter for that, but this does not means that China does not believe in free trade. China has signed free trade agreements with various countries including Australia.

## To Enhance Trade Liberalization

Trade liberalization is another key objective of the OBOR (One Belt, One Road) project. By building physical infrastructure particularly roads, railways, and ports facilities (for Maritime Silk Road Projects) the objective of trade liberalization will be fulfilled (Chinese official vision document, 2015). Trade liberalization will be top of the agenda, in other words, China will like to have free trade with countries that are part of the OBOR project (Khan, 2018). China has invited a number of states from Asia, Africa and Europe to be part of the OBOR project. According to Chinese official sources, sixty countries have so far agreed to take part in the OBOR project (Khalid, 2015). Improving investment, improving trade facilitation, improving customs clearance capability, improving transparency of technical trade measures, improving trade structure, and eliminating investment barriers, double taxations, trade barriers and lower non-tariff barriers, are part of trade liberalization objective (Shah, 2015).

## Financial Integration

The third objective of the PRC initiative is financial Integration to links all the member states into one unite program and bring win-win results. Financial integration is evidently important because with the work of money, the development of infrastructure projects in BRI will be completed. The Chinese government has set up a China Silk Road Fund on of forty billion dollars, BRICS New Development Bank, AIIB, ASEAN Interbank Association and SCO Interbank Association. For strengthening multinational economic cooperation the signing of MOUs has been encouraged.

## Facilitation of Connectivity

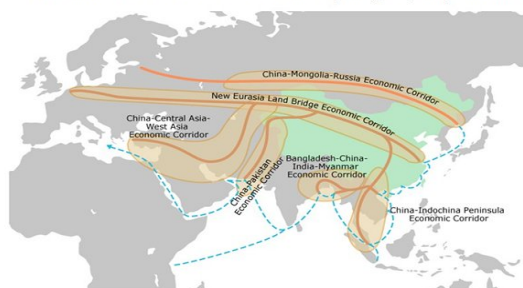
Connectivity either by road and sea in the heart of BRI projects under the vision of grand infrastructure. A lot of funding will be used for building roads, highways, railways and ports for connectivity. Chinese has become leaders in high-speed railways, fifteen years ago China did not have a single mile of high-speed railway and now China has world's longest high-speed railway network and clearly, China is keen to export this technology to the countries (both develop and developing countries) and few countries have already signed agreements with Chinese companies to build high-speed railways on this occasions.

Connectivity is the critical part and particularly people-to-people links. The Chinese government hopes that with the physical infrastructure (l-e roads and railways) people will be able to travel easily from one country to another, and certainly many countries in the world wanted to see more Chinese tourists (Hassan M. S., 2017). Last year more than 100 million Chinese tourists travel overseas and every country wanted to get a share of this huge Chinese tourism. The Chinese government provides facilitate ten thousand scholarships yearly to the member states (Chinese official vision document, 2015). The countries will cooperate in the field of science and technology maritime centers by promoting practical cooperation under cultural and people-to-people exchanges, academic, media, and personnel exchanges.

## Economic Corridors of BRI

The BRI involves over sixty countries and 60% of the global population. The total GDP of these states is equal to 33% of the world's wealth and composed of 75% known energy reserves (Rolland). The BRI will take benefit of global transport lines as well as key ports and core cities to further intensify collaboration (Khalid, 2016). There are six North-South or East-West trans-regional economic cooperation corridors. These six corridors are planned as a framework for the BRI project.

The Belt and Road Initiative: Six Economic Corridors Spanning Asia, Europe and Africa



## China-Mongolia-Russia Economic Corridor

This Corridor connects China, Russia, and Mongolia by land. Through it, these countries have elaborated on different economic links and assistance by the way of cross-border (Shah I. K., 2015). The heads of these three countries met for the first time in 2014 at the SCO Dushanbe summit. The agreement was made for tripartite cooperation on the basis of China-Mongolia, Russia-China and Mongolia-Russia mutual bonds. At the same meeting, the principle, direction and key areas of trilateral cooperation were defined. The heads of the three states also agreed to bring together the building of SREB, the proposed development of Mongolia's steppe Road and the restoration of Russia's Eurasia Land Bridge. This trilateral cooperation will strengthen railroads and highways connectivity; advance customs clearance and transport facilities; and will further promote cross-national cooperation in transportation, which will help to elaborate the Economic Corridor.



Source: (www.geopoliticalmonitor.com, 2018)

## New Eurasia Land Bridge

The New Eurasia Land Bridge is an international railway line running from Lianyungang in China to Rotterdam in Holland. It is faster than the sea and cheaper than air. In the Chinese territory, the line includes the Lianyungang-Lanzhou railway and the Xinjiang-Lanzhou railway and stretches through central, eastern and western China. After leaving Chinese territory, the new Land Bridge passes through Kazakhstan, Russia, Belarus and Poland reaching a number of coastal ports in Europe, while capitalizing on the New Eurasia land Bridge, China has opened the following rail routes;

- International cargo rail route linking Chongqing (China) to Duisburg (Germany);
- A cargo rail route from Chengdu to Lodz (Poland);
- Direct cargo train running between Wahan, Melnik, and Pardubice (Czech Republic); and
- A freight rail route from Zhengzhou to Hamburg (Germany).

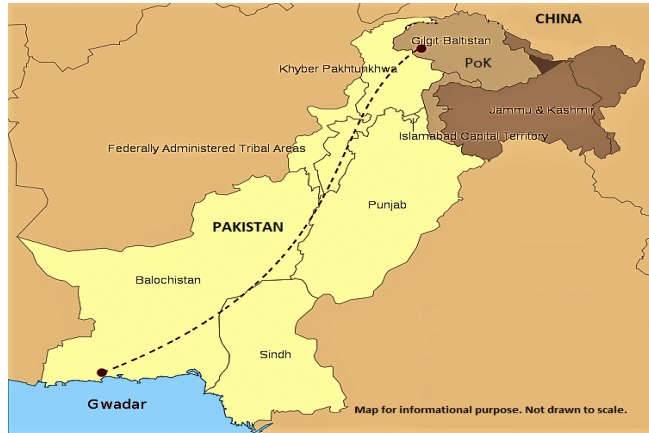
The first freight train connecting China directly to UK (United Kingdom) has arrived on 20<sup>th</sup> April 2017 in the Eastern Chinese city of Yiwu. The train has covered 12000km, making the London 15<sup>th</sup> city to be linked to a new freight rail network. The train passes through Kazakhstan, Russia, Belarus, Poland, Germany, and France—within 20 days train completed its first trip (First freight train linking UK with China arrives in Yiwu, 2017).

All these new rail routes provide rail-to-rail freight transport as well as convince of “one declaration, one inspection, one cargo release” for any cargo transported.



## China-Pakistan Economic Corridor

China-Pakistan Economic Corridor (CPEC) is the project of regional economic integration. It is a 62 billion dollars project, which includes a 3,000 kilometers network of roads, railways and pipelines to transport oil and gas from Gawadar port (Baluchistan) to Kashgar city in the north-western Xinjiang Uyghur (autonomous region of China). Chinese President Xi Jinping visits Islamabad in April 2015 and signed an agreement to invest 46 billion dollars in energy and infrastructure projects (“China Readies \$46b for Pakistan Trade Route”, 2015). Chinese experts characterize CPEC (China-Pakistan Economic Corridor) as a way



to reduce China’s dependence on petroleum ships passing through Straits of Malacca from the Middle East and Africa to China. In July 2015, reports indicated that PML-N (Pakistan Muslim League-Nawaz) government intended to propose 21 mineral economic processing zones, and 29 industrial parks spread across Pakistan four provinces (Khalid, 2018).

According to the Chinese Ambassador to Pakistan Sun Weidong, CPEC includes 16 projects for the region of Baluchistan, 8 for KP, 13 for Sindh and 12 for Punjab (Khalid, 2018). The projects includes highways, coal power plants, LNG terminal and pipelines, International Airports, Expressways, primary schools, technical colleges, hydropower projects, transmission lines, wind farms, motorways, phase 2 of Karakorum highways upgrading and renovation, the Haier and Ruba Economic Zone, Lahore Orange Line Metro Train and the China-Pakistan cross-national optical fiber network (Government Proposes 29 Industrial Parks, 21 Mineral Zones, under CPEC, 2015).

From 2016-2020, the CPEC (China-Pakistan Economic Corridor) will boost Pakistan national output by 1.5 percent, trade between China and Pakistan will grow 24 percent, bilateral investment will rise 25 percent, industrial value addition will exceed 1.5 percent and will create 500,000 to 800,000 new jobs, electricity generation from newly built sources will reach 19.785 Mega kilowatts and the optical fiber cable length will stretch to 2,084km (Hashmi, 2016).

## China-Central Asia-West Asia Corridor (CCAWAC)

The CCAWAC runs from Xinjiang in China and links the rail network of Central Asia and Iran and Turkey. This corridor passes through Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan and two countries of West Asia. This corridor will be an important gateway for oil and natural gas, running to Xinjiang from the Arabian Peninsula, Turkey and Iran (Phillips). In June 2015, at Shandong's third China-Central Asia cooperation forum, these five Central Asian Republics have signed a joint declaration with China. At China-Central Asia Cooperation forum the commitment was made for “jointly building of Silk Road Economic Belt” (Hassan, 2017). Prior to that China had signed bilateral agreements on the construction of the Silk Road Economic Belt with the Central Asian States Beijing also signed an agreement with Uzbekistan on the building of the Silk Road Economic Belt and expanding the windows of cooperation in investment, transport, finance, and communication sectors.

The following are the national development strategies of China with Kazakhstan, Turkmenistan, and Tajikistan which are given below:

- Tajikistan’s “three-pronged” strategy which is “energy, transport and food”, aimed at revitalizing the country,

- Kazakhstan's "Road to Brightness" strategy, and
- Turkmenistan's "Strong and Happy Era" Strategy.

All central Asian Republics share common ground in the elaboration of the Silk Road Economic Belt (SREB). An attempt has been made for a revival of ancient Silk Road; a rail route has been elaborated connecting China with Iran. Iranian officials have argued that they will extend this rail route to Europe (Khalid C. D., 2017). In February 2015, a cargo train traveled from China's eastern city Yiwu through Turkmenistan and Kazakhstan to Tehran (Iran), the train has covered 6,462 miles and completed its journey in 14 days—one month less than the sea route. This is a trans-Asian trade route connecting the east to the Mediterranean Sea and Europe (Dehghan, 2016).



### **Indo-China Peninsula Corridor**

In December 2014, fifth leaders meeting were held in Bangkok for Greater Mekong sub-regional cooperation. The Chinese Prime Minister Li Keqiang has introduced three recommendations for intensifying the relations between China and five South Asian countries (Cambodia, Myanmar, Thailand, Laos, and Vietnam). The recommendations are as follows:

- jointly scheming and building an extensive shipping network, as well as a number of industrial cooperation projects,
- creating a new model of cooperation for fundraising,
- Facilitating enduring and coordinated socio-economic development.



A number of projects included in Indo-China Peninsula Corridor have already been completed for example construction on the Dongxiang Port at the China-Vietnam border, International railway line running from Nanning to Hanoi, and Expressway at Guangxi which is leading to the friendship gate, the construction workers have also been completed. Currently, the nine cross-national highways are under construction by the countries along the great Mekong River, linking east to west and north to south.

### **Bangladesh-China-India-Myanmar Economic Corridor**

Bangladesh-China-India-Myanmar Economic Corridor will connect China with South Asia. In May 2013, Chinese Prime Minister Li Keqiang's visit and meeting with New Delhi officials have jointly proposed the

building of the BCIM corridor. The first meeting of the BCIM Corridor took place at Kunming, in which all the four countries official representatives jointly discussed the cooperation mechanism for economic corridor, development prospects and preference areas. The member states also came up with an agreement on cooperation in investment and commercial circulation, people-to-people links and transportation infrastructure. The four signed meeting minutes and agreed on the BCIM joint study program and confirmed a mechanism for promoting cooperation among the five governments (HKTDC Research, 2016).



Source: URL, <https://www.oboreurope.com/en/beltandroad/one-belt/>, Accessed on 12th August 2018

In May 2015, Indian Prime Minister Narendra Modi visited China and signed bilateral agreements with costs of US \$22

billion covering steel, solar energy, telecom and film, although most of this Chinese investment in India is not connected to this corridor development but still China is investing in India because China sees India as most important partner for integration with West Asia and beyond.

### Political and Financial Cooperation Mechanisms

The political cooperation on BRI project has taken place at multiple levels, China is using present regional organizations such as SCO for CARs, for Middle East the China-Arab States Cooperation Forum for southeast Asia ASEAN is working as political and financial cooperation, for Africa the Forum on China-African Cooperation (FOCAC) is working and to a much minor range the BRICS (Brazil, Russia, India, China and South Africa) format is working as political and financial cooperation mechanisms of OBOR project.

BRI project supplies a structure for new multilateral institution-building, such as AIIB (Asian infrastructure investment Bank) which has capitalization of US 100 billion dollars, The BRICS New Development Bank (NDB), New Silk Road Fund (US 40 billion dollars), the investment cooperation Fund between China and Central and Eastern European countries, China's sovereign wealth Fund (US 746 billion dollars) plus China policy Banks: China Development Bank (CDB), Export-Import Bank of China (EIBC) and Agriculture Bank of China (AIBC), will be significant in tributes to OBOR projects.

### OBOR Significance for China

#### Geopolitical Significance

OBOR (One Belt, One Road) project is an opportunity for China to raise its International and regional profile as a liable global power and it is likely to increase China's political and economic leverage over its neighborhood. Some western analyst argues that OBOR is a Marshal Plan for Asia, just like the US (United States) Marshal plan for Europe after the Second World War. China is using its economic influence to achieve its foreign policy objectives. With some Asian countries, China has long-standing maritime disputes mainly with the Philippines and Vietnam, and territorial disputes with India. China is cooperating with these disputant countries by exporting its developmental policies (infrastructure building) and creating economic benefits for Asian disputants in return for their acceptance of the prevalence of Chinese territorial and maritime rights.

## Geostrategic Significance

In 2009, China became the largest exporter in the world and also became the largest consumer of oil after the United States and its consumption will be twice by 2030. China will pass the United States and will become the world's largest oil importer in the world. China imports 80 percent of its oil through sea route from the Middle East and Africa, and this dependence on imported oil is likely to increase ("Walking between the Raindrops", 2010). This huge capacity of oil passes through several checkpoints via sea routes such as Strait of Malacca in the South China Sea, which continue to be secured by the USA (United States of America). The US (United States) can block the Malacca Strait in the event of war, which is a serious threat to the Chinese economy. The Chinese energy security is also at risk in Malacca Strait due to growing piracy in that area, so with changing geopolitics and US (United States) presence in the South China Sea, China has a growing need for land-based trade routes (Siddique, 2014).

## Economic Significance

OBOR (One Belt, One Road) is the second phase of Chinese economy, following the first phase in the late 1970s under Deng Xiaoping's innovative economic reforms, which has boosted the prosperity of China's coastal provinces, now OBOR (One Belt One Road) project has focused on developing the western and central Chinese provinces. In the western and central provinces of China economic zones have been created for economic prosperity. Under Xi Jinping, the central government has pursued the policies that aim to expand economic opportunities for the people in the western provinces (Xi Jinping quotes in, 2014). Chinese infrastructure-related industrial sectors such as steel, cement, aluminum, iron and glass have amassed unique over capacities, and its consumption rate is low. China is the world's largest producer of steel, China produces 700 million tons of steels but how much steel can China consume? There is excess capacity of steel and cement in China which is a challenge for China because the domestic consumption of steel has been declined, so according to western analysts one of the key function of OBOR is to export the commodities in other parts of the world I-e Asia, Africa and Europe, and particularly Chinese companies are building some of these projects upon which they will be able to sell these commodities (steel, aluminum, iron, cement etc) from China. There is an argument from Indian analysts that OBOR has more to do with the restructuring of the Chinese economy rather than purely economic cooperation with the rest of the world. China has 4 trillion US dollars of foreign exchange reserves and the return of that investment is very low because a lot of that money is locked in the foreign government treasuries particularly US (United States) treasures, so the Chinese government is looking at on; that how to return that investment and they are also looking at the utilization of their excess capacity of important commodities like steel and cement.

## Significance for tackling structural imbalances and national security concerns

Beijing aims to tackle socio-economic imbalances between the country's prosperous coastal provinces and less-developed central and western provinces.

Chinese provinces can be divided into three types.

Chinese Provinces	Area in million sq km	Area in %	Population	Population in %	Per-Capita income in %
Eastern	1.7mSqkm	17.8%	588.38m	44.3%	58.8%
Middle	3.13mSqkm	32.6%	666.03m	50.2%	32.7%
Western	4.78msqkm	49.8%	53.86m	5.5%	8.5%

(Van Dijk, 2011)

The eastern provinces of China are the coastal area, there is a pleasant environment, more trade facilities, a large number of factories and export-import is easy through the South China Sea. The people of eastern China have luxuries life, good health facilities, transport facilities, foreign investors invest more wealth in



eastern provinces because the success rate of investment is 8.5 times more than western provinces. While in contrast to the middle and western provinces, the people are living in hilly areas, harsh environments, simple life standards, fewer factories, unemployment, lack of good health facilities, facing natural disasters and terrorism. In the last decade, 130 million Chinese people of western and middle provinces migrated towards eastern cities and 200 million is estimated to leave in the next decade. These people of western and middle provinces migrate in search of jobs and mostly because of natural disasters. Still every year 20 million low skilled farmers want to move to the cities in eastern provinces.

OBOR (One Belt, One Road) project has enhanced links between China's eastern, central and western provinces, new markets were elaborated, the wage levels of exports and imports between eastern and western provinces have been decreased, at the same time inducements were provided to encourage the people of eastern provinces to migrate into western provinces of China. Western provinces of China have geographically critical positions; they share borders with Kazakhstan, Pakistan, Kyrgyzstan, Tajikistan, Kazakhstan, Russia, Mongolia, Indian Occupied Kashmir and Afghanistan. In the region of terrorism, extremism and separatism are the three main issues, ensuring stability and countering these issues is a goal and requisite for BRI ambitions.

### **OBOR Multiple Challenges**

OBOR (One Belt, One Road) project is facing multiple challenges in different regions; the following are the challenges of OBOR which are given below;

- International observers argue that there are doubts about Pakistan's capacity to handle investment on the scale that the Chinese government has intended because Pakistan's political system is fraught and could easily be immersed. Some international observers also argue that China underestimates the hurdles it will face in Pakistan, especially in Baluchistan where Gwadar port is located. The separatist movements and insurgencies in Baluchistan which are supported by RAW, including the targeting of Chinese workers, possess significant challenges/hurdles for this project.
- Myanmar, Laos, and Cambodia show the highest infrastructure risk levels among ASEAN countries, with a series of Chinese projects having been stopped in the past. The conflict-ridden regions in Myanmar such as the Northern provinces of Myanmar are a challenging region for China to protect the workers and infrastructure projects.
- In Central Asian Republics, China has positioned itself to play a mediating role; China has surpassed Russia in 2009 and became the single greatest source of the investor in the region. In Central Asian Republics there is high-level of corruption, limited market size, economic immaturity, less administrative efficiency, unwieldy custom clearance, high neglect risks and expansion of terrorism, extremism and separatism in such as Fergana Valley of Central Asia, which can lead to low or zero-return of the investments.
- Ensuring security in Xinjiang is an important goal for Silk Road ambitions, in recent years the number of terrorist attacks has been increased. The attack on civilians and string of high profile terrorist attacks in Chinese major cities including an attack on Kunming railway station in 2014. Chinese policymakers and scholars remain extremely concerned about the influence of externally based Uyghur extremist groups which are receiving training abroad and carrying out high profile attacks in China (Andrew, 2015). There are concerns about Afghanistan potentially destabilizing influence on Xinjiang. For countering the rise of extremism Chinese government is encouraging Han's (people of eastern provinces of China) to migrate into Xinjiang and Uighur's (people of the western province of China) to migrate into Han's dominated provinces. For reducing levels of extremism the Chinese government has imposed restrictions on religious education, fasting during Ramadan ("China Bans Ramadan Fasting in Muslim Northwest", 2014) and banned burqas in Xinjiang ("Xinjian Legislature Approves Burqa Ban", 2015).

- US (United States) has announced its own “New Silk Road Initiative” (NSRI) which will connect Central Asia to India and Pakistan through Afghanistan. This initiative will support CSA-1000 (Central Asia and South Asia) electrical transmission and trade projects for hydropower export from Tajikistan and Kyrgyzstan. This initiative will also support Turkmenistan-Afghanistan-Pakistan and India (TAPI) gas pipeline (Turkmenistan to start work on TAPI pipeline in December, 2015).
- In response to the Chinese “Maritime Silk Road” initiative India has unveiled “Project Mausam” which aims to strengthen cultural ties and review the historical routes to countries across the Indian Ocean. India has also declared Gilgit-Baltistan a disputed territory in which routes of SREB are passed; they are claiming that it was ruled by Maharaja of Kashmir before 1947.

### **Chinese Model**

In the 21<sup>st</sup> century, China has emerged as a global economic and strategic power with clear and pragmatic proof of her ability to promote its own new model of governance which is based on the totalitarian model of governance. There are two models of economic development and governance in the world which are successful and the worldly states intend to follow it. The first one is the US Capitalist Model which is based on the free market, free trade and liberal democratic structure of economy while the other model which is a counter of the US capitalist model is the “Chinese Model” which is based on the orthodoxy of Confucianism (Stokes, 2015).

The US capitalist model seemed like a “City on a Hill” which the worldly states like Europe and South American countries followed and became successful in developing their economies and mode of governances. On the other hand, there is now the “China Model” which is a new model of economic development and a new model of governance. The “China Model” seems to be the best model for the third world countries as compared to US capitalist model; because the United States took almost two and half centuries to become fully developed and global power while Chinese model took only two decades to make China a strategic and global economic power (Hassan, 2017). In particular, Beijing highlights the malfunctions of Indian and Western democratic models as inadequate of concentrating the political resolve of the state on the main enduring role of economic development. Hence, the “China Model” seems to be the best counter for the United States capitalist model which the third world countries will delight adopt and became prosperous/successful.

### **American and Indian Responses**

The rise of China and its growing competition with the United States is a threat to the US because of their zero-sum strategic mentality. The United States is trying to contain China with the help of its allies like India, Japan, and the Philippines etc. India is concerned that an emerging China poses a threat to Indian interests in South Asia and particularly in (IORs). China and India are key actors in the region. The rise of China and India and their likely competition has the potential to have a crucial effect on the geopolitics of the region. Both nations have rapidly-growing economies, massive nuclear weapons and huge manpower reserves (Khalid C. D., 2017). They are competing for influence in the Indian Ocean, South Asia, Southeast Asia and Central Asia. This competition also includes territorial disputes, the development of strategic military alliances, competition for access to resources and the use of strategic relationships with other powers to contain the raise of the opposing nation.

The Sino-Indo relations can be explained as dynamic and complex, alternating between periods of tension and strong cooperation. China is the world’s largest socialist country while India is the world’s largest democracy. Both countries graded among the world’s superior emerging economies, and Consuela multi-polar world order. Both states have also longstanding unresolved border disputes. Despite its territorial disputes with China, India has found ways to cooperate with Beijing on matters of mutual interest. India is a founding member of the Asian Infrastructure Investment Bank or BRICs Development Bank and

New Development Bank, India's membership in SCO is likely to make means for expanded collaboration with China. Does the question raise that why India's firm resistance to be part of BRI?

In the twenty-first century, the parallel rise of India and China is one of the most significant strategic developments. India is trying to maintain solidarity with developing countries and struggling for recognition as a great power (Thompson, 2010). The western countries have eagerly welcomed the raise of India but China's accommodation of India's raise been partial and incongruous. The mutual distrust and doubts between China and India will continue to shape the trajectories of their future relationship (XiaoYu, 2017).

## Conclusion

Beijing reasserts its role in global politics at the beginning of the 21<sup>st</sup> century once it was humiliated and exploited by all major powers including Japan, Russia, UK, the USA, France and Germany. The first leadership of PRC under Mao directed the state towards a more resistible and rigid global actor by rejecting Western and American oriented values of capitalism and democracy and their institutions including UNO, IMF and World Bank. PRC turned the page and adopted more flexible and encouraging moves towards the Western powers when Deng came to power in 1978 by introducing the Reforms and opening-up policy. The coming leadership adopted and sustain the Deng policies and made PRC one of the major contributors to global economics and politics. Post the collapse of the USSR and the emergence of Beijing as the second-largest economy, one again the competitor powers adopted encircling oriented policies towards China including the Trans Pacific Partnership Indo-Pacific alliance which led to rival strategy in the South East Asian region and the regions surrounded.

To answer the questions of Malacca Dilemma, US policy of TTP, Indo-US alliance, US presence in Afghanistan under the umbrella of War on Terror, gap between Eastern and Western China, Eastern Turkistan Islamic Movement and the increased and unprecedented demands for raw materials PRC under the leadership of Xi Jin Ping adopted the policy of *One Belt One Road* by building seven land corridors and maritime Silk route. By BRI China engaged 64 nations and invested some \$2 trillion in energy, infrastructure and developmental projects which covers, Asia, Africa and Europe to connect with China. On the other hand it also brought divers challenges to China and to those who signed agreements with PRC. Above all Beijing BRI is one of the major and crucial development of the 21<sup>st</sup> century that marked the competitor vigilant and alert to come up with policy towards the vision of Xi Jin Ping.

Keeping in mind the economic theory proposed by liberal theorist "*Economic Opportunity Cost Hypothesis*", argues that trade dealing and economically interdependent nations promote peace and reduce the risks of armed conflicts. Policymakers, decision-makers and political diplomats of economically integrated nations never take any decisions which are against the national interest of other nation. Hence, the economic advantages and costs of trade deter countries from pursuing wars. Similarly, those countries which are not economically integrated have greater chances of engaging in conflicts or warfare against one another.

There are some international observers which argues that BRI project is a Marshal Plan of China for Asia as it includes increased diplomatic coordination, cultural-educational programs, people-to-people links, free trade agreements trade facilitation policies, financial integration policies which includes the promotion of Chinese currency I-e Renminbi throughout Asia, the Middle East, Europe and Africa. However, Chinese officials have rejected this comparison of the dreamed project with the Marshal Plan. The BRI project has huge economic potential for the region. If the Chinese investments are truly aimed to reduce income inequalities in the members' states and boosting smaller economies than the economic headwinds will truly change the fate of Asia.

## References

- Andrew, S. (2015). "The China-Pakistan Axis".
- China Bans Ramadan Fasting in Muslim Northwest. (2014, July 3). *AP*.
- China Readies \$46b for Pakistan Trade Route. (2015, April 16). *WSJ*.
- China, The Observatory of Economic Complexity. (n.d.).
- Dehghan, S. (2016, February 15). "China's Silk Road revival steams ahead as cargo train arrives in Iran". *The Guardian*.
- Garlick, J. (2017, May 8). "If you Can't Beat 'em Join 'em", Shaping India's Response to China's 'Belt and Road' Gambit.
- Government Proposes 29 Industrial Parks, 21 Mineral Zones, under CPE. (2015, July 26). *The NEWS*.
- Hafeez Ullah Khan, I. K. (2018). New Delhi Response to Beijing'BRI'Project: A Lucid connection with Chinese" String of Pearls". *Journal of Political Studies*, 244-284.
- Hashmi, G. (2016). *CPEC Long-term Plan and Challenges*. CSS Pakistan Affairs, Current Affairs.
- Hassan, M. I. (2017). US Afghan Strategy: Policy Responses of China and Pakistan (2001-2017). *Global Social Sciences Review (GSSR)*, 71-76.
- Hassan, M. S. (2017). Issue of SaraikiStan: Post 18th Amendment. *Global Social Sciences Review (GSSR)*, 166 - 170.
- Hong Kong Trade Development Council: The Belt and Road Initiative. (2016, January 26). *HKTDC Research*.
- Kaura, V. (2017, June 10). "Understanding Indian Response to China's Belt and Road". *Indian Times*.
- Khalid, C. D. (2017). Kashmir at Crossroad: The Partition's Unfinished Agenda. *Global Social Sciences Review (GSSR)*, 88-98.
- Khalid, H. U. (2018). CPEC and Federalism: An Analysis. *Journal of Political Studies*, 195-199.
- Khalid, H. U. (2018). Indian Cold Start Doctrine: Pakistan's Policy Response. *Journal of the Research Society of Pakistan*, 222-228.
- Khalid, I. (2018, May 24). AN ANALYSIS OF INDIAN, RUSSIAN & US RESPONSES TO CHINA PAKISTAN ECONOMIC CORRIDOR. *PhD Thesis*. Mardan, Khyber Pukhtunkhwa , Pakistan: Abdul Wali Khan university Mardan.
- Khalid, M. S. (2016). Encouraging Trends of Women's Politics in Khyber Pakhtunkhwa: A Comparative Assessment of 2002 and 2008 General Elections in Pakistan. *Global Social Sciences Review (GSSR)*, 50 - 66.
- Khalid, Z. S. (2015). Pakistan-Iran Relations in the Changing Global Scenario Post 9/11. *Journal of Applied Environmental and Biological Sciences*, 211-212.
- MS Malik, H. K. (2018). Regional Security Threats to Pakistan: A Critical Review. *Pakistan Journal of History and Culture*, 162-167.
- Padmaja, G. (2015). "Modi's Maritime Diplomacy: A strategic Opportunity". *Journal of the National Maritime Foundation of India*, 11(2), 25-42.
- Phillips, S. (n.d.). *One Belt One Road: A Role for UK companies in developing China's new initiative; New Opportunities in China and beyond*. Foreign and common wealth office, China-Britain Business Council.
- Rolland, N. (n.d.). *China's Silk Road*. The National Bureau of Asian Research.
- Shah, I. K. (2015). Beijing Reaction to Osama Operation inside Pakistan. *Journal of Applied Environmental and Biological Sciences*, 27-29.
- Shah, I. K. (2015). US Strategy in Afghanistan: From Attack to Talks. *Journal of Applied Environmental and Biological Sciences*, 60-65.
- Siddique, Q. (2014). *Deeper than Indian Ocean? An Analysis of Pakistan-China Relations*. SISA | Centre for International and Strategic Analysis.

- Stokes, J. (2015). *China's Road Rules : Beijing Looks West Toward Eurasian Integration*. Council on Foreign Affairs.
- (2016). *The Belt and Road Initiative*. Hong Kong Trade Development Council.
- Thompson, J. S. (2010). *Causes of War*. Malden: Wiley-Blackwell.
- Turkmenistan to start work on TAPI pipeline in December. (2015, September 15). *Reuters*.
- (2015). *Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road*. Ministry of Commerce of the People's Republic of China with State Council authorization. Issued by the National Development of Foreign Affairs.
- Walking between the Raindrops. (2010, May 27). *The Economist*.
- Xiaoyu, P. (2017). Ambivalent accommodation: status signaling of a rising India and China response, *International Affairs*:. 93(1), 147-163.
- Xinjiang Legislature Approves Burqa Ban. (2015, July 10). *Xinhua News*.
- Xi calls for Xinjiang Ethnic Unity; Tolerance. (2014, May 5).