# **ISAS Insights**

No. 411 – 23 May 2017 Institute of South Asian Studies National University of Singapore 29 Heng Mui Keng Terrace #08-06 (Block B) Singapore 119620 Tel: (65) 6516 4239 Fax: (65) 6776 7505 www.isas.nus.edu.sg http://southasiandiaspora.org



# The Belt and Road Initiative: China Acts 'Global', India Plays 'Local'

Chinese President Xi Jinping has formally launched his 'act-global initiative' of creating a networked world which will have, at its core, Asia-Europe connectivity, for a start. India's absence from Xi's go-global launch in Beijing on 14 May 2017 has not cast any shadow over his efforts to think of alternative globalisation and translate that vision into a reality. India, therefore, needs to present its genuine local concerns in a manner acceptable to the international community. Indeed, New Delhi can and must do so without appearing eager, as at present, to take the wind out of China's sails of a new-wave globalisation.

## P S Suryanarayana<sup>1</sup>

The formal launch of China's 'act-global policy' – the Belt and Road Initiative (BRI) – is by far the most definitive strategic salvo from Chinese President Xi Jinping in the international arena. He is clearly attempting to conceptualise and create an alternative or indeed a new-wave globalisation. In setting this agenda, while delivering the keynote address at the opening session of the Belt and Road Forum for International Cooperation in Beijing on 14 May 2017, Xi

<sup>&</sup>lt;sup>1</sup> Mr P S Suryanarayana is Editor (Current Affairs) at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He is the author of *Smart Diplomacy: Exploring China-India Synergy* (2016). He can be contacted at isaspss@nus.edu.sg. The author bears full responsibility for the facts cited and opinions expressed in this paper.

sought to portray his country as a prime mover, not the latest hegemonic leader, in creating a new "Silk Road Spirit".<sup>2</sup>

Xi enunciated a five-pronged strategy of "connectivity" as the means towards a new global order for "common prosperity" of all countries across continents. Seeking to link Asia with Europe, as the first step in his vision, he spelt out five inter-related pathways. These are (1) the harmonisation of connectivity-related policies among states; (2) cooperation and coordination among willing partner-countries to build seamless chains of infrastructure across national borders; (3) mutually advantageous trade linkages among these countries; (4) financial support from the newly-created multilateral Asian Infrastructure Investment Bank as well as China's own Silk Road Fund for creating and sustaining infrastructure- and trade-linkages; and (5) the promotion of people-to-people contacts.

There was no ambiguity about his projection of such a far and wide vision as the alternative to the current United States-led world order which has led to anti-globalisation sentiments among both the developing and developed blocs. Unsurprisingly, Xi traced the genesis of this new thinking to the ancient Silk Road of land and sea connectivity between China and many other countries and territories for trade in goods and services of those bygone centuries. As for the latest BRI paradigm, the "Belt" denotes the search for land-based connectivity across today's defined and undefined national boundaries. In Xi's perspective, the "Road" stands for similar linkages across the seas and oceans. Moreover, the BRI idea has been traced to the ancient spirit of other civilisations, too, such as that of India.<sup>3</sup>

### **Rationale of Resistance**

New Delhi does not support the BRI. The rationale for its resistance betrays a distinctive local flavour of a long-running India-Pakistan feud. Such a stark reality is unmistakable amid Xi's remarkable success in gaining the rapt attention of key global organisations for his initiative at

<sup>3</sup> Ibid.

<sup>&</sup>lt;sup>2</sup> The details of Chinese President Xi Jinping's speech, marking the launch of the Belt and Road Initiative in Beijing on 14 May 2017, can be had from a variety of authentic sources, including the English-language *China Daily*. The author is going by his observations and interactions as an invited delegate at the opening as well as the plenary and other sessions of the Belt and Road Forum for International Cooperation (BRF) and at the related meetings in Beijing on 14 and 15 May 2017.

this relatively early stage in a long-term strategy. To be taken seriously, India must, therefore, redefine its narrative, without having to challenge China's efforts.

The crux of New Delhi's objections centres on the fact that the China-Pakistan Economic Corridor (CPEC) signifies the pilot flagship project under the rubric of the BRI, which was originally known as "One Belt One Road" (OBOR). It is common knowledge that the mapped route of a northern portion of the CPEC passes through areas which Pakistan controls but India regards as its legitimate sovereign territory. New Delhi's displeasure on this count is also well known. What is new in the latest context, as evident on the eve of Xi's "going-global" party, is India's discourse on global connectivity, presented as a counter narrative which bears being quoted in full as follows:

"We are of firm belief that connectivity initiatives must be based on universally recognized international norms, good governance, [the] rule of law, openness, transparency and equality. Connectivity initiatives must follow principles of financial responsibility to avoid projects that would create unsustainable debt burden for communities; balanced ecological and environmental protection and preservation standards; transparent assessment of project costs; and skill and technology transfer to help long term running and maintenance of the assets created by local communities. Connectivity projects must be pursued in a manner that respects sovereignty and territorial integrity...Guided by our principled position in the matter, we have been urging China to engage in a meaningful dialogue on its connectivity initiative, 'One Belt, One Road' which was later renamed as 'Belt and Road Initiative'. We are awaiting a positive response from the Chinese side. Regarding the so-called 'China-Pakistan Economic Corridor', which is being projected as the flagship project of the BRI/OBOR, the international community is well aware of India's position. No country can accept a project that ignores its core concerns on sovereignty and territorial integrity.."<sup>4</sup>

Obviously aware of India's objections, Xi spoke about the CPEC as China's cooperative venture with Pakistan but he did not enter into a debate with India on its counter narrative on global connectivity norms in this 21<sup>st</sup> century.<sup>5</sup> Xi's studied avoidance of India's counter

<sup>&</sup>lt;sup>4</sup> Ministry of External Affairs, Government of India: http://www.mea.gov.in/media-briefings.htm?dtl/28463/ Official\_Spokespersons\_response\_to\_a\_query\_on\_participation\_of\_India\_in\_OBORBRI\_ Forum. Accessed on 14 May 2017.

<sup>&</sup>lt;sup>5</sup> Author's observation as a delegate to the BRF meetings in Beijing in mid-May 2017.

narrative must be seen in the context of China's continuing interest in having India on the BRI boat. Obviously, China cannot hope to be a benign global power if its major neighbour remains estranged. No less significantly, Pakistan's Prime Minister Nawaz Sharif made a statesman-like presentation at the BRF plenary session. This too bears being quoted at some length.

"The OBOR [One Belt One Road] signifies that geo-economics must take precedence over geopolitics and that the centre of gravity should shift from conflict to cooperation...CPEC is an economic undertaking open to all countries in the [South and West Asian] region. It has no geographical boundaries. It must not be politicised...I must emphasise that OBOR has gained wide traction. It negates the logic of polarisation and rejects the encirclement of any country...It moves us out of silos into shared space. The fact is that now OBOR belongs to us all – those who are participating in it and those who are not as yet...Let OBOR become a metaphor for a new, mature, resilient and cooperative world."<sup>6</sup>

#### **Coordinated Messaging**

A public coordination of messaging to India by Xi and Sharif was amplified by top Chinese officials during and after the BRF meetings. At the BRF-related closed-door roundtable among select delegates on "Regional and Global Security: Situation and Prospect", the author suggested a candid quadrilateral dialogue among China, India, Pakistan and Afghanistan on the CPEC-related issues. As is well-known, Afghanistan has an unresolved border dispute with Pakistan on the north-western side of the CPEC. As a parallel, India's objections are based on the considerations of its sovereignty over some areas of the CPEC route map.

Responding to India's objections, the Chinese Foreign Ministry spokeswoman Hua Chunying said after the BRF meetings, "In the past four years, the Belt and Road Initiative has been following the principle of joint consultation, extensive participation and shared benefits...The warm response the international community has been giving to China's hosting of the BRF also speaks to that. India's Foreign Ministry spokesperson said that India wants meaningful

<sup>&</sup>lt;sup>6</sup> Prime Minister's Office, Islamic Republic of Pakistan, http://www.pmo.gov.pk/pm\_speech\_details.php? speech\_id=86. The author was a witness to Nawaz Sharif's studied avoidance of any mention of India by name at the BRF plenary session.

dialogues and is waiting for positive response from the Chinese side. I don't quite get it...We welcome India's participation in the Belt and Road Initiative."<sup>7</sup>

In this overall ambience, it was emphasised, in response to the author's suggestion at the BRFrelated closed-door session, that "India can come in at any time on any [BRI] project" and that "China will never impose anything on others". Beijing would, therefore, welcome the "very, very good point" of a quadrilateral dialogue if it came from India and other countries concerned, rather than as a Chinese initiative, it was further emphasised.<sup>8</sup>

On the eve of the BRF meetings in Beijing in mid-May 2017, India propounded a set of principles for new inter-state connectivity projects in the emerging contours of a China-driven globalisation effort. However, New Delhi's global-scale rationale of resistance is still seen by Chinese officialdom as an extension of the basic Indian discomfort over the CPEC. New Delhi has presented its concerns over the CPEC in a paradigm of sovereignty issues with reference to Pakistan in a bilateral context. On the eve of the BRF meetings, India did raise questions over the global-connectivity norms being followed by China on the BRI. However, New Delhi has not presented its concerns over the CPEC in a global context such as issues relating to international terrorism, Afghanistan's relevance to this corridor and/or militarisation of the CPEC route, among others.

The northern portion of the CPEC route, which is of direct concern to New Delhi, passes through not only a difficult mountainous terrain but also areas which both India and China have viewed as pathways for terrorists. China has often complained of terrorist forays into its Xinjiang province from these Pakistan-controlled areas, the East Turkistan Islamic Movement being singled out in this context. Indeed Xi himself has urged Pakistan's civilian and military leaders to protect the Chinese installations and personnel associated with the CPEC projects.<sup>9</sup>

<sup>&</sup>lt;sup>7</sup> Ministry of Foreign Affairs, People's Republic of China: http://www.fmprc.gov.cn/mfa\_eng/xwfw\_665399/s 2510\_665401/t1462343.shtml. Accessed on 17 May 2017.

<sup>&</sup>lt;sup>8</sup> Under the rules of the BRF-related closed-door session, where the author obtained a clarification from China, the source cited here cannot be identified by name or designation.

<sup>&</sup>lt;sup>9</sup> Ministry of Foreign Affairs, People's Republic of China, http://www.fmprc.gov.cn, Xi Jinping Meets with Prime Minister Nawaz Sharif of Pakistan, 8 November 2014 (Accessed on 18 November 2014); Li Keqiang: Building the China–Pakistan Economic Corridor Flagship Project, 8 November 2014 (Accessed on 18 November 2014); Xi Jinping Holds Talks with Prime Minister Nawaz Sharif of Pakistan, and Both Sides Decide to Upgrade China–Pakistan Relations to All-Weather Strategic Partnership of Cooperation (21 April 2015), accessed on 22 April 2015; Xi Jinping Meets with Military Leaders of Pakistan (21 April 2015), accessed on 22 April 2015.

Moreover, the proximity of these areas to the militarised India-Pakistan Line of Control as well as the disputed Pakistan-Afghanistan border reinforces the unusual ambience in which China is going ahead with the CPEC projects. However, instead of focusing on such larger issues to catch international attention, India has been harping on its local concerns that its sovereignty over a portion of the CPEC route is being ignored by China and Pakistan. Unsurprisingly in this limiting 'local' context, China has adopted the soft option of emphasising that the CPEC skirts the sovereignty issue which is best left to India and Pakistan to settle through their bilateral dialogue and consultation.<sup>10</sup>

No less significantly, the author has learnt that the Chinese tend to think that India's objections to the CPEC also stem from the possibility of the CPEC propelling Pakistan, too, as an attractive destination for foreign investments from far and wide. Any such possibility requires a detailed study near or upon the completion of the CPEC in the next several years. There is also a view that India perhaps has time until the next BRF Summit in 2019 to say a belated 'yes' or a final 'no' to China's BRI.

For now, a conspicuous aspect of India's 'local' preoccupations is its successful launch of a "South Asia Satellite" on 5 May 2017 for the customised socio-economic benefits of the neighbouring countries in the South Asian region. Pakistan, alone among the South Asian countries, has stayed clear of India's outer-space diplomacy, seeking, instead, China's extra-terrestrial benefaction.<sup>11</sup>

At the baseline of international diplomacy, there is no arguing against a basic human instinct which is evident in both China and India aspiring to play global roles – the former now itself and the latter in the longer-run. Xi amplified, in his keynote address at the opening session of the BRF, that the global aspirations of the present-day rising China are ideologically derived from its ancient "Silk Road Spirit". For India, which is currently playing 'local' commensurate with its far-lesser comprehensive national strengths than those of China, global aspirations are

<sup>&</sup>lt;sup>10</sup> The Chinese Foreign Ministry spokespersons have repeatedly said that the CPEC, as an economic project, does not preclude India-Pakistan dialogue over the relevant sovereignty dispute. See the Chinese Foreign Ministry website.

<sup>&</sup>lt;sup>11</sup> P S Suryanarayana, *China, India Seek Partners in the Global Commons*, Guest Column, China-India Brief #93, May 16, 2017, Centre on Asia and Globalisation, Lee Kuan Yew School of Public Policy, National University of Singapore, http://lkyspp.nus.edu.sg/cag/publication/china-india-brief/china-india-brief-93. (This paper was a curtain-raiser for the BRF meetings). Islamabad's satellite-related expectations of China were disclosed by Zafaruddin Mahmood, Pakistan's CPEC Special Envoy, in a media interaction with *China Daily* on the side-lines of the BRF meetings in Beijing on 14 May 2017.

not really out of the ideational bounds. In recent times, India has, in fact, signalled its desire for global roles by talking about its ancient ideological moorings of viewing the entire world as one family ("*Vasudaiva Kutumbakam*"). It is a different matter, outside the scope of this paper, whether India should play catch-up with China, both being space-faring and nuclear-armed sunrise powers of this 21<sup>st</sup> century, and aspire for a truly global role.

. . . . .