## One Belt, One Road: China's response to the US "pivot"

Peter Symonds 4 December 2015

At two top-level gatherings in Asia last month—the Asia Pacific Economic Cooperation (APEC) and the East Asia Summit—US President Barack Obama again exploited maritime disputes in the South China Sea to press his "pivot to Asia" agenda—consolidating an economic bloc through the Trans Pacific Partnership (TPP) and military ties and alliances throughout the region, all directed against China.

Even before the "pivot" was formally announced in 2011, the Obama administration, in response to the deepening global economic breakdown, began shifting focus to the Indo-Pacific region in a bid to counter the perceived threat posed by a growing China to American hegemony. Simply by virtue of its sheer economic size, China is cutting across the longstanding economic and strategic relationships established after the end of World War II based on US pre-eminence.

Confronted with the TPP, from which China is excluded, and an extensive US military build-up throughout the region, the Chinese regime has been forced to react. Its response is conditioned by the class interests it represents—the tiny super-wealthy oligopoly that enriched itself through the processes of capitalist restoration during the past three decades. Broadly, Beijing has sought to appease Washington while at the same time engaging in an arms race that can only end in one way.

In 2013, the new leadership of President Xi Jinjing and Premier Li Keqiang elaborated an extensive geo-political strategy that drew together and extended existing strands of foreign policy. Its aim is to extricate China from its strategic encirclement by the US and its allies, while opening up further trade and investment opportunities for Chinese capitalism. Known as the Silk Road Economic Belt and the 21st Century Silk Road, or One Belt One Road (OBOR), the scheme envisages massive infrastructure development to link the Eurasian landmass, as well as Africa, both by land and sea.

By offering substantial investment in infrastructure as well as burgeoning trade and economic benefits, Beijing is hoping to draw countries across Eurasia, the Middle East and Africa into its plans and thereby blunt the US "pivot."

At the East Asia Summit in Kuala Lumpur, Chinese Premier Li made a definite appeal to the Association of South East Asian Nations (ASEAN) leaders, highlighting China's commitment efforts to establish land transport links from southern China throughout South East Asia as well as the upgrading of port facilities in the region. He pledged \$US10 billion for the next phase of the China-ASEAN special infrastructure loan.

As well as boosting economic relations between China and ASEAN, with two-way trade projected to reach \$1 trillion by 2020, the land linkages have a strategic aim—to lessen China's dependence on shipping lanes through South East Asia to import energy and raw materials from the Middle East and Africa. Beijing is well aware that US military strategists regard a naval blockade, including by control over the Malacca Strait, as a crucial element of their war plans against China.

Last week China hosted the fourth China-Central and Eastern European (CCE) summit at which Li highlighted the role of Eastern Europe, the Balkans and Baltic States as "the east gateway to Europe and along the routes of the Belt and Road initiative." He said he wanted to work with all 16 countries represented "to build the China-Europe land-sea express line and promote connectivity in Europe." China signed a deal with Hungary and Serbia to build a high-speed rail line between their capitals, as part of a broad plan for a rail link to the Greek port of Piraeus. Li also announced investments in port facilities in the Baltic, Adriatic and Black Seas but gave no specifics.

Beijing's pitch is above all directed toward the major European powers—all of which are part of the formal NATO military alliance with the United States. While China's European diplomacy has been developing for years, three key visits in late October and early November—President Xi's trip to Britain, and the visits by French President Francois Hollande and German Chancellor Angela Merkel to China—highlight the economic and strategic issues, as much for Europe as for China.

Britain, France and Germany all have their own imperialist ambitions in Eurasia, which have been further fuelled by the worsening global economic breakdown and the slump in Europe, in particular. With the emergence of China as the world's largest cheap labour platform and second largest economy, all the major powers—the US, Japan and European—are driven to maximise their economic engagement and investment, and thus their influence in Beijing.

In an article published on the *Europesworld.org* website in May, Wang Yiwei, director of the China-Europe Academic Network, openly spelt out China's strategic aims, declaring: "With the rise of the United States, Europe entered into a decline which recent attempts at integration have been unable to reverse. Europe is now faced with a historic opportunity to return to the centre of the world through the revival of Eurasia."

At this stage, the One Belt, One Road initiative remains largely

in the realm of grandiose and general ideas. The Chinese government issued a document this March entitled "Visions and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road." It was short on specifics and long on the rhetoric of "peaceful coexistence," "win-win cooperation" and the advantages of closer economic integration.

Insofar as the broad outlines are known, the land-based Belt involves the construction of 80,000 kilometres of high-speed rail links, with a major route running from the Chinese city of Xian, historically the starting point of the Silk Road, to Europe, through Urumqi in China's western Xinjiang province and Central Asia to Moscow and Europe. Other rail lines include one from southern China through South East Asia to Singapore and another from Xinjiang through Pakistan to the Chinese-built port of Gwadar on the Arabian Sea.

The plans include a major expansion of roads, oil and gas pipelines and digital cables, along with power production and energy grids. As well as providing an impetus for economic growth in China's undeveloped inland regions, the infrastructure proposals are designed to provide an outlet for China's production overcapacities and profitable opportunities for Chinese corporations.

The maritime Road focusses on the expansion of port facilities, particularly in South East Asia to develop sea transport from China to Europe, and in Kenya to integrate Africa.

Beijing has proposed to allocate up to \$1.4 trillion to finance the huge array of infrastructure projects and is setting up financial institutions alongside the International Monetary Fund, World Bank and Asian Development Bank. Together with the provision of money, China is calling for measures and agreements to reduce or remove trade barriers, economic red tape and other obstacles to economic integration.

An initial \$50 billion has been provided to the recently established Asia Infrastructure Investment Bank (AIIB), which is projected to have at least \$100 billion in funds. Another \$40 billion has gone into the Silk Road Fund for projects in Central Asia. China has announced \$46 billion to finance the China-Pakistan economic corridor. China has also made an initial contribution of \$10 billion to the BRICS-led New Development Bank, set up in August. The China Development Bank has declared that it will fund up to \$1 trillion in One Belt, One Road projects.

The Chinese government proposes next year to begin a five-year period of planning projects with its OBOR partners with a view to starting the projects' full-scale implementation from 2021 and completion in 2049.

The economic prospects of the One Belt, One Road scheme have already had an impact in Europe. In March, Britain broke ranks with the US and signed up to the Chinese-backed AIIB to take advantage of the financial opportunities that could open up. Other European powers rapidly followed suit. Chinese academic Wang Yiwei commented: "The New Silk Road Initiative could help redirect the centre of geopolitical gravity away from the US and back to Eurasia... The recent decision by France, Germany, Italy and the UK to join the Asian Infrastructure Investment Bank goes in this direction, and represents a major shift in European attitudes

towards Asia, and China in particular, that clearly departs from the US position."

US imperialism, however, is not going to stand by and allow moves to integrate Eurasia by China and the European powers, from which it is marginalised or excluded altogether. American strategists have long regarded Eurasia—a region with 70 percent of the world's population and over half of global output—as central to its global hegemony.

In his 1997 book *T he Grand Chessboard*, former US National Security Advisor Zbigniew Brzezinski wrote: "For America, the chief geopolitical prize is Eurasia... Eurasia is the globe's largest continent and is geopolitically axial. A power that dominates Eurasia would control two of the world's three most advanced and economically productive regions... Eurasia is thus the chessboard on which the struggle for global primacy continues to be played."

Since the collapse of the Soviet Union in 1991, the US has sought to bring the vast Eurasian landmass under its domination. Its own Silk Road Strategy, first outlined in 1999, has guided its interventions and intrigues in the former Soviet Republics of Central Asia and the Caucuses. The "war on terror" provided the pretext for the US-led invasion of Afghanistan and the installation of a puppet regime to provide Washington with a base of operations in neighbouring Central Asia.

While not an elaborated or necessarily coherent strategy, the Obama administration's "pivot to Asia," along with its provocations and interventions in Ukraine and Syria, implicitly drives toward the break up and subjugation of China and Russia, in order to bring the Eurasian landmass under US hegemony.

Speaking about the TPP in October, President Obama declared: "When more than 95 percent of our potential customers live outside our borders, we can't let countries like China write the rules of the global economy. We should write those rules." But if the US is unable to dictates terms to the world through the TPP, and its counterpart for Europe, the Transatlantic Trade and Investment Partnership, then as it has done over the past three decades, it will resort to military provocations, interventions and war.

The vision of a One Belt, One Road scheme peacefully integrating Eurasia is no more viable than a united capitalist Europe. Fuelled by the deepening global economic crisis, the divisions and rivalries among the major imperialist powers within Europe and with the United States and Japan, will only intensify as each scrambles to secure its interests. The chief destabilising factor remains US imperialism, which has repeatedly demonstrated its determination to offset its historic decline through the use of military force, even if that could plunge the world into a catastrophic war.



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