

Is China reshaping its neighboring environment through the Belt and Road Initiative?

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SUMMARY

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ABSTRACT

China's neighboring countries have actively responded to the Belt and Road Initiative since it was first unveiled by China in late 2013. On the one hand, the progresses achieved in the planning, implementation, and launching of various projects under the Belt and Road Initiative (BRI) have showcased China's capability to shape its neighboring environment. On the other hand, the proposal and development of the Belt and Road Initiative have intensified geopolitical rivalry among China's neighboring countries. Geopolitical and geoeconomic effects will gradually emerge with the further implementation of the Belt and Road Initiative. China will need to control adverse effects while actively contributing to the progress of the Belt and Road Initiative.

Keywords: Belt and Road Initiative; surrounding environment; geopolitics; geoeconomics.

I. INTRODUCTION

In 2013, President Xi Jinping first unveiled the Silk Road Economic Belt and the 21st century Maritime Silk Road, also referred to as the Belt and Road Initiative, in Kazakhstan and Indonesia. The Belt and Road Initiative has received active domestic and international response and has gradually developed into a natio-

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nal strategy for the comprehensive deployment of China's domestic and foreign affairs. Notably, the Communist Party of China (CPC) Central Committee has set up a special high profile for the Leading Group of the Belt and the Road Initiative.

We have made considerable progress in the implementation of the Belt and Road Initiative three years after its initial unveiling. In June 2016, President Xi Jinping delivered an important speech entitled "Jointly Build a New Great Silk Road" at the Legislative Chamber of the Uzbek Supreme Assembly. In this speech, President Jinping summarized the overall progress of the Belt and the Road Initiative and emphasized that the Belt and Road Initiative has preliminarily completed project planning and layout and is entering the stages of successful launching, meticulous implementation, and sustainable development (Xinhuanet, Dec 19, 2016).

The planning and layout of the Belt and Road Initiative have focused on the development of a basic framework characterized by six corridors and six road networks that connect multiple countries and ports. Specifically, the phrase "six corridors" refers to the opening up of six major international economic cooperation corridors, including the New Eurasian Continental Bridge, the China-Mongolia-Russia Economic Corridor, the China-Central Asia-West Asia Economic Corridor, the China-Indochina Peninsula Economic Corridor, the China-Pakistan Economic Corridor, and the Bangladesh-China-India-Myanmar Economic Corridor. The phrase "six road networks" represents the connection of six major road networks to facilitate the interconnection of railways, highways, waterways, airlines, pipelines, and information highways. The phrase "multiple countries" refers to the nurturing of several pivotal countries in Central Asia, Southeast Asia, South Asia, West Asia, Europe, Africa, and other regions in the light of the need for pushing ahead with the building of the Silk Road Economic Belt and the 21st Century Maritime Silk Road and the enthusiasm of countries along the Belt and Road. The phrase "multiple ports" means the building of a number of crucial sea ports. By focusing on the building of the 21st Century Maritime Silk Road, we intend to accelerate the construction of a number of pivotal ports with distinct locational advantages and prominent supportive function through multiple channels (The Work Committee of the Central Government Departments under the CPC Central Committee, March, 2016).

In terms of international production capacity cooperation, by June 2016, China had entered into production capacity cooperation agreements with 20 countries and had worked with 17 countries along the Belt and Road to build 46 overseas economic and trade cooperation zones wherein Chinese enterprises had invested over 14 billion dollars and created 60,000 jobs for local people (Xinhuanet, Dec 19, 2016). China and Kazakhstan had jointly established a production capacity cooperation fund, and the Sino-Kazakhstan production capacity cooperation

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model continues to lead the implementation of the Belt and Road Initiative. In terms of financial support, the Asian Infrastructure Investment Bank has been officially launched, with 57 countries actively participating in its operation; furthermore, the Silk Road Fund and the China-Eurasian Economic Cooperation Fund have been successfully established (Xinhuanet, Dec 19, 2016).

We have accomplished considerable achievements in connectivity projects under the Belt and Road Initiative. Currently, construction on the Jakarta-Bandung railway commences, construction on the Sino-Laos and Sino-Thailand railways is about to begin, and the Trans-Asian Railway Network has been placed on agenda. The winning bid of Chinese enterprises on the Kyaukpyu deep-water port and industrial park projects provides a necessary condition for planning the China-Myanmar Economic Corridor. The official operation of the Gwadar Port adds to the vitality of the China-Pakistan Economic Corridor. The resumption of construction on the Colombo Port City project marks the formation of another node of the Maritime Silk Road. The longest Angren-Pap Railway Tunnel in Central Asia has been completed and is now open to traffic, further contributing to the connection of the China-Central Asia-West Asia Economic Corridor. China's successful bidding on Greece's Piraeus Port Authority Project calls for the acceleration of the construction of the China-Europe land-sea express. The conclusion of the commercial agreement on the Serbia-Hungary high-speed highway demonstrates that the Sino-European regular train transportation mechanism formed. The Addis Ababa-Djibouti Railway, which was manufactured with Chinese equipment in compliance with Chinese standards, is now open to traffic and provides a successful example for China-Africa production capacity cooperation (The Ministry of Foreign Affairs of the People's Republic of China, December 3, 2016).

To summarize, in the past three years since the unveiling of the Belt and Road Initiative, we have achieved steady development and progressively expanded our influence. In this paper, we provide a comprehensive analysis of the development of the Belt and Road Initiative in the context of current trends. The geopolitical and geoeconomic effects of China's continuing reshaping of its surrounding environment under the Belt and Road Initiative have progressively emerged.

II. THE BELT AND ROAD INITIATIVE: RESHAPING THE GEOECONOMIC ENVIRONMENT SURROUNDING CHINA

The international community has attached great importance to the Belt and Road Initiative since it was first proposed by China. The Belt and Road Initiative has a broad official interpretation. However, to China's surrounding countries, this initiative mainly represents six major international economic cooperation corridors that are distributed in the east, west, south, and north of China. These corridors

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include the New Eurasian Continental Bridge, the China-Mongolia-Russia Economic Corridor, the China-Central Asia-West Asia Economic Corridor, the China-Indochina Peninsula Economic Corridor, the China-Pakistan Economic Corridor, and the Bangladesh-China-India-Myanmar Economic Corridor. The progressive implementation of these projects will closely link the development of China with that of its surrounding countries. Given the differences in geographic locations, resource reserves, developmental stages, and geopolitical backgrounds of these six economic corridors, we are bound to place different development priorities on the agenda and encounter different difficulties and challenges in different projects.

CHINA-PAKISTAN ECONOMIC CORRIDOR

The China-Pakistan Economic Corridor is positioned as the flagship program under the Belt and Road Initiative with the aim to foster China-Pakistan cooperation in transportation, energy, and marine affairs; to forge an economic link that stretches from Kashgar in the north to Gwadar Port, Pakistan in the south; and to jointly accelerate the construction of the four-in-one Kashgar-Gwadar Port Corridor that consists of roads, railways, oil and gas pipelines, and optical cable lines.¹ The Corridor is constructed to assist the efforts of Pakistan, China's comprehensive strategic partner, to achieve domestic stability through economic development and to ensure that Pakistan will continue to serve as a node for China's South Asia policies. Meanwhile, through collaboration with Pakistan, China is cracking down on the "three evil forces" in Xinjiang to promote regional stability and development. The long-term strategic influence of this program may lie in the following aspects: the progressive expansion of China's strategic influence on the Gulf Region and Arab States and the improvement of China's ability to secure energy corridors and the combating of nontraditional security threats.

Currently, the China-Pakistan Economic Corridor is entering the comprehensive implementation stage. Among the Corridor's three representative components, namely, the Initial Phase Area of the Gwadar Port Free Zone, the Karachi-Lahore Motorway (Sukkur-Multan Section), and Karakoram Highway Phase II concentratedly commenced, 17 out of the 30-odd signed-off projects are underway. We have created more than 10,000 jobs for the local people through the construction of

¹ The reports compiled by the media from China and Pakistan stress on the construction of the "four-in-one" China-Pakistan Economic Corridor of road, railway, oil and gas pipeline and optical cable yet many researchers question the possibility of "four-in-one", Mao Siwei: On three Misunderstandings of the China-Pakistan Economic Corridor, http://pit.ifeng.com/a/20161210/50395969_0.shtml, last visited on December 19, 2016. In China's official statements and reports, "connectivity" is generally stressed without explicitly mentioning the railway construction of the China-Pakistan Economic Corridor.

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the China-Pakistan Economic Corridor (Embassy of the People's Republic of China in the Islamic Republic of Pakistan, December, 2016).

On November 13, 2016, the initial pilot transportation of the joint trade convoy for the China–Pakistan Economic Corridor was grandly launched at the Gwadar Port in the Balochistan, Pakistan and marked the shift of the China-Pakistan Economic Corridor from the conceptual to the tangible.

Nevertheless, internal and external controversies surround the China–Pakistan Corridor (Li Xiguang, Sun Lizhou, Decembre, 2016). At present, we face the major challenge from Pakistan, which has failed to reach consensus on the planned route of the China-Pakistan Economic Corridor and on the potential beneficiaries of the large-scale industries that are emerging from the construction of the China-Pakistan Economic Corridor. China expects that the China-Pakistan Economic Corridor, as an exemplary flagship program, would bolster confidence over the short run in the overall construction of the Belt and Road Initiative. Therefore, it may select the route of the China-Pakistan Economic Corridor and cross densely populated regions with developed industries within Pakistani territories to ensure basic traffic volume in the short run and to achieve the self-maintenance and development of the China-Pakistan Economic Corridor. A report from the Financial Times stated that Sun Weidong, the Chinese ambassador to Pakistan, has attempted to ease tensions over the China-Pakistan Economic Corridor among different Pakistani provinces, remarking that “all roads lead to development and prosperity” (Ahmed Rashid, October, 2016) Efforts to mitigate the internal friction in Pakistan are the key to ensuring the smooth progress of the China-Pakistan Economic Corridor.

BANGLADESH–CHINA–INDIA–MYANMAR ECONOMIC CORRIDOR

This economic corridor is situated at the junction of the Silk Road Economic Belt and the 21st Century Maritime Silk Road. It begins from Yunnan in Southwest China and extends via Northern Myanmar and Bangladesh to Kolkata, the capital of West Bengal, India. The Bangladesh-China-India–Myanmar Economic Corridor was initially proposed as Track Two Diplomacy at the Bangladesh-China-India-Myanmar Forum for Regional Cooperation and was officially adopted when Premier Li Keqiang visited India in May 2013. A joint statement between the People's Republic of China and the Republic of India stipulated that both parties will negotiate with other parties (e.g. Bangladesh and Myanmar) by setting up the Joint Working Group to research connectivity in this region, to promote economic and trade cooperation and cultural exchange, and to call for the construction of the Bangladesh-China-India-Myanmar Economic Corridor (Xinhuanet, Dec, 2016).

To date, the Joint Working Group has held two meetings. However, its activities have come to a halt in recent years. During December 18-19, 2013, representati-

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ves from governmental authorities, research institutions, and enterprises attended the first meeting held by the Joint Working Group. During this meeting, the group reached a consensus on four major cooperation domains: spatial connectivity (tangible and intangible connectivity), trade in goods, environmental sustainability, and nongovernmental exchanges. During December 17-18, 2014, the second meeting of the Joint Working Group was held in Bangladesh. During this meeting, a consensus was reached that the Joint Working Group of the Bangladesh-China-India-Myanmar Economic Corridor would prepare four national reports (Khin Maung Lynn, December, 2016). A third meeting was planned to be held in India in the second half of 2015 with the aim to pass the joint research report prepared by the four countries and to begin negotiations on the establishment of a four-party governmental cooperation mechanism. Nevertheless, the meeting has not been held yet so far. India's Modi Administration has suspended the construction of the Bangladesh-China-India-Myanmar Economic Corridor in Northeast India for security reasons. Recently, in its reply to an inquiry into the current progress of the Corridor by the Parliament of India, the Ministry of External Affairs of the Government of India stated that the Indian Government would continue to monitor the course of the program and its impact on the security of India and would take all necessary defensive measures (The Ministry of External Affairs of India, December, 2016).

The Bangladesh-China-India-Myanmar Economic Corridor overlaps with the Sino-Myanmar oil and gas pipelines; connects Myanmar, India, and Bangladesh; strengthens China's influence on the Region of the Bay of Bengal; and promotes the global exposure and economic integration of Southwest China with its surrounding areas. Nevertheless, India's passive attitudes that have arisen from the issues of ethnic minorities and stability in Northwest India, as well as the highly complicated situation in Myanmar after its election, introduced difficulties in the future development of the Corridor. In October 2016, President Xi Jinping visited Bangladesh, and both parties undertook to continue their efforts to promote the construction of the Corridor. A joint statement between the People's Republic of China and the People's Republic of Bangladesh declared that both parties attach importance to the role of the Bangladesh-China-India-Myanmar Economic Corridor in promoting pragmatic cooperation among the four countries and overall regional development. Moreover, both countries stated their willingness to strengthen communication and coordination in the promotion of the Bangladesh-China-India-Myanmar Economic Corridor to facilitate consensus among all the parties over the four-country joint research report and to establish a four-country cooperative framework for the launching of the signed projects as soon as possible (Xinhuan: Joint Statement of the People's Republic of China and the People's Republic of Bangladesh, December, 2016).We need to show additional patience

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in pushing forward the construction of the Corridor given that it is one of the earliest proposals under the Belt and Road Initiative.

CHINA-MONGOLIA-RUSSIA ECONOMIC CORRIDOR

Russia and Mongolia have actively provided their support since China unveiled the Belt and Road Initiative. In September 2014, Russian and Mongolian leaders met for the first time, and the China, Mongolia, and Russia decided to construct the expected economic corridor. Specifically, they decided to combine the Silk Road Economic Belt program with the proposal for *Russia's Trans-Eurasian Railway* and the Mongolian Steppe Road to build the China-Mongolia-Russia Economic Corridor, to strengthen connectivity construction (e.g. railways and roads); to facilitate customs clearance and transportation; to promote transit transport cooperation; to investigate the construction of a tripartite cross border transmission network; and to cooperate in the issues of tourism, think tank, media, environmental protection and disaster relief in a pragmatic manner (The Ministry of Commerce of the People's Republic of China, December, 2016). Through highly coordinated strategies, Russia, Mongolia, and China have made great strides toward the building of the Corridor within two years. On July 9, 2015, they signed the Memorandum on the Outline of the Construction of the China-Mongolia-Russia Economic Corridor in Ufa. On June 23, 2016, they signed the Outline of the Construction of the China-Mongolia-Russia Economic Corridor in *Tashkent, the capital of Uzbekistan*. The signing of the Outline holds considerable importance because it marks the official implementation of the first multilateral economic corridor program under the Belt and Road Initiative. The Outline of the China-Mongolia-Russia Economic Corridor provides concrete content for the construction of the China-Mongolia-Russia Economic Corridor and fund sources and implementation mechanisms, as well as lists 32 key cooperative projects in the 10 key areas of infrastructure connectivity, industrial cooperation, port modernization, energy cooperation, customs and inspection and quarantine, eco-environmental protection, technology, science and education, cultural and educational exchanges, agricultural cooperation, and healthcare (The State Council Information Office of the People's Republic of China: The Overview of Building the China-Mongolia-Russia Economic Corridor (2016-09-14)).

The plan formulated by the National Development and Reform Commission states that the China-Mongolia-Russia Economic Corridor has two routes. The east route stretches from Dalian, Shenyang, Changchun, Harbin, and Manchuria to Chita, Russia. The west route extends from the Beijing-Tianjin-Hebei Region to Huhehaote. This route connects the border cities Erenhot and Ulaanbaatar in Mongolia and finally joins the Russia Far East Railway Network. The east and

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west routes share a common characteristic: They form a northern corridor that connects China's Bohai Economic Rim with the European Economic Area via the China-Mongolia-Russia Economic Corridor. In comparison with the Silk Road Economic Belt that begins in Northwest China and passes through the New Eurasian Continental Bridge, the China-Mongolia-Russia Economic Corridor connects three provinces in Northeast China, reaches the Vladivostok Estuary in the east, and joins the Eurasian Land Bridge at Chita in the west. As such, it has the advantages of low transport costs, short transport time, passage through few countries, and low customs clearance fees. Given these characteristics, it has considerable potential as an economic corridor. Through years of economic cooperation with the Northeast Asia Region, the east route has preliminarily taken shape, and the west route is currently under construction. In the future, these two corridor sections will form a new open and developed economic belt through their interaction and mutual complementation (Youth.cn: Chinese Premier Reaps Fruits on Revisiting Mongolia after Six Years and the Launching of the China-Mongolia-Russia Economic Corridor Attracts Attention (2016-07-17)).

Despite the promising prospect of the China-Mongolia-Russia Economic Corridor, its development is under several political constraints. First, Mongolia is way of China and Russia, the two global powers. Meanwhile, Russia is concerned that Mongolia favors China. Geopolitical factors exert pronounced effects on cooperation in some key fields and projects. Second, the policies formulated by Mongolia lack stability, and the Government of Mongolia frequently takes unexpected actions that retard the development of the Economic Corridor. For example, in November 2016, Mongolia allowed the Dalai Lama's visit despite China's repeated warnings and this action jeopardized China's core interests. After the incident, China imposed extra charges on export products (e.g. copper) from Mongolia, set restrictions on export ports, and paused governmental cooperative negotiation. The Mongolian foreign minister explicitly expressed his attitude toward the Dalai Lama's visit: "Mongolia resolutely supports the One China Policy, and will never invite Dalai Lama to visit Mongolia again. During the tenure of this government, Dalai Lama would never be allowed to visit Mongolia" (The Ministry of Foreign Affairs of the People's Republic of China, December 23, 2016).

NEW EURASIAN CONTINENTAL BRIDGE

The New Eurasian Continental Bridge originally referred to the railway transport system that connects the oceans at the two ends of the Eurasian continent for land-sea multimodal transport. To distinguish this Bridge from the Siberian Landbridge, we usually refer to the land-sea multimodal transport system that stretches from the Port of Lianyungang to the Port of Rotterdam, Netherlands as the

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Second Eurasian Continental Bridge or as the New Eurasian Continental Bridge. The New Eurasian Continental Bridge has a total length of 10,900 kilometers. Its sphere of influence covers more than 30 countries, and it connects the Pacific Rim and the European Economic Area.

The New Eurasian Continental Bridge has been opened for the international container shipping business since the 1990s. Nevertheless, it has faced the issue of accessibility since it was first opened for traffic and has failed to serve as the expected logistics channel because of issues in national politics, trade regimes, transportation technologies, and geopolitics. With the maturation of China's high-speed railway technologies, the enhanced export competitiveness and the preliminary establishment of domestic crisscrossed high-speed railway networks, the New Eurasian Continental Bridge has been incorporated into the Belt and Road Initiative and its development potential has increased (People's Tribune, December, 2016). Under the direct drive of the Belt and Road Initiative, the China Railway Express to Europe, which begins from the Port Lianyungang of Jiangsu, was officially opened to traffic in 2015 and was joined by trunk railways, such as the Chongqing-Xinjiang-Europe, Chengdu-Xinjiang-Europe, and Yiwu-Xinjiang-Europe Railways, that have opened in quick succession. Consequently, the construction of the New Eurasian Continental Bridge has progressively shown new development potential.

To progressively develop compatible and standard transport rules and to facilitate international transport, the construction of the New Eurasian Continental Bridge should match infrastructure construction plans with standard technological systems; establish a unified coordination mechanism for the whole transportation course; and promote the organic integration of international customs clearance, reloading, and multimodal transportation. Meanwhile, infrastructure networks that connect sub-regions in Asia, Europe, and Africa and unobstructed multimodal water transportation channels could be established through cooperation with countries along the New Eurasian Continental Bridge to jointly promote the construction of international trunk channels. Currently, regular trains that are open for traffic remain limited by the high transportation costs incurred by the customs transfer and rail exchange charges associated with passage through multiple countries. Insufficient cargoes and high transport prices are major challenges because they decrease cost-effectiveness and pose difficulties in market-oriented operation in the short term, causing operations to rely on massive government subsidies. Therefore, the convenient and efficient construction of the New Eurasian Continental Bridge encounters the major issue of the use of convenient railway transit systems to facilitate customs clearance, trade, and investment in countries along the railway route. Currently, China, Russia, and other countries agree on the integration of the Silk Road Economic Belt and the Plan for the Development of

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the Eurasian Economic Union. Such a move will dramatically promote the construction of the New Eurasian Continental Bridge.

CHINA-CENTRAL ASIA-WEST ASIA ECONOMIC CORRIDOR

The China-Central Asia-West Asia Economic Corridor forms a new economic corridor that extends from Kazakhstan to Uzbekistan, Kyrgyzstan, Tajikistan, Turkmenistan, Iran, Iraq, and Turkey by partially overlapping with the New Eurasian Continental Bridge and departing from the New Eurasian Continental Bridge outside China's territory at Alatau Pass, Horgos. The Corridor traverses Europe, Asia, and Africa, with the Central Asia-China Gas Pipeline constituting its crucial segment. The ground-breaking ceremony of Line D of the Central Asia-China Gas Pipeline (the Tajikistan Section) was held at Dushanbe on September 13, 2014. Line D, another Central Asia natural gas transmission pipeline built after Lines A, B, and C of the Central Asia-China Gas Pipeline, has important economic significance for China and countries along the Corridor.

Meanwhile, China has successively entered into bilateral agreements with Kazakhstan, Kyrgyzstan, and Tajikistan on the joint construction of the Silk Road Economic Belt. The "Bright Road Initiative" unveiled by Kazakhstan, the three major national rejuvenation strategies "Energy, Transport, and Food" formulated by Tajikistan, and the "Heralding a Happy and Prosperous Era" strategy advocated by Turkmenistan all provide a foundation for China's cooperation with these countries. The cooperation between China and Kazakhstan on production capacity has set an example for production capacity under the Belt and Road Initiative. The competent authorities of China and Kazakhstan signed the Outline Agreement of the Government of the People's Republic of China and the Government of the Republic of Kazakhstan on Enhancing Production Capacity and Investment Cooperation on August 31, 2015 and had established a working regime by December 2015. Seven rounds of conversation have been carried out, with 52 projects signed at the initial stage. The contract price of those projects, which encompass the fields of metallurgy and minerals, energy, machinery manufacture, chemical and construction materials, infrastructure construction, transportation and logistics, medicine cooperation, industrial parks, and biotechnology, has reached 24.1 billion dollars (The Ministry of Foreign Affairs of the People's Republic of China, December, 2016). Cooperation between China and West Asian countries has considerably progressed.

Nevertheless, the construction of this Corridor has been threatened by serious ethnic and religious conflicts and rampant terrorist forces in a large number of participating countries. Meanwhile, the internal situation of Afghanistan remains unstable and further hinders the development of the Corridor.

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CHINA-INDOCHINA PENINSULA ECONOMIC CORRIDOR

This corridor begins from Nanning in Guangxi and Kunming in Yunnan; extends through Vietnam, Laos, Cambodia, Thailand, Myanmar, and Malaysia; and ends in Singapore. It is a continental bridge that connects China and the Indochina Peninsula and is a transnational economic corridor that facilitates cooperation between China and ASEAN countries.

This economic corridor has a certain factual basis. In particular, the establishment of the China-ASEAN Free Trade Area in 2010 has enabled close economic linkage between China and the countries on the Indochina Peninsula, as well as the gradual formation of the economic corridor that links the Pearl River Delta Economic Zone and countries on the Indochina Peninsula. The governments of Guangxi and Yunnan have been actively promoting cooperation among major cities along the Corridor and fostering the formation of economic channels through the development of industrial parks and infrastructure connectivity. The construction of international transport channels along the Corridor has tightened the linkage between China and ASEAN.

We have accomplished prominent achievements in the construction of the China-Indochina Peninsula Economic Corridor over the past three years. By May 2016, 12 nodes of the international roads from Guangxi to the Indochina Peninsula and 11 passenger and freight transport routes had been opened for traffic. The container shipment route to Singapore, Thailand, Vietnam, and Myanmar had been opened to traffic, and the China-ASEAN Information Harbor had been set up in Nanning. Four outbound roads, one from Kunming in Yunnan to Bangkok via Moci, one from Kunming to Hanoi via Hekou, one from Kunming to Kyaukpyu via Ruili, and one from Kunming to Kyaukpyu via the Qingshui River, had been completed. Moreover, the China-Vietnam International Railway had been successfully initiated into the international multimodal transport container business. Construction on the domestic section (Yuxi-Mohan) and the overseas section (Boten-Vientiane) of the China-Laos International Railway had commenced. Over 88% of the designed work on the domestic section of the two-way China-Myanmar and China-Myanmar-India International Railway (Guangdong-Dali) had been completed. Construction on the whole railway control work of the domestic section of the China-Myanmar International Railway (Dali-Lincang and Dali-Ruili) had commenced. Additionally, the government of Chongqing Municipality had played an active role in the construction of the China-Indochina Peninsula Economic Corridor. In April 2016, the logistic channel of the Chongqing-ASEAN (Vietnam) International Railway was officially operated. Construction on the Tiegang Port of Chongqing-Guangxi Beibu Gulf Port of Singapore (Chongqing-Guangxi-Singapore) International Multimodal Transport Channel is also underway (The Construction Progress,

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Key Tasks and Promotion Strategies of the China-Indochina Peninsula Economic Corridor (2016-12-12). Moreover, we had made progress in economic and trade cooperation and production capacity cooperation. A good number of Chinese enterprises had settled in the industrial parks in countries on the Indochina Peninsula. In terms of RMB internationalization, China had concluded bilateral currency swap agreements with Thailand, Malaysia, and Singapore, permitting the RMB's direct swap with MYR and VND. Furthermore, in November 2015, China worked with Mekong countries to jointly launch the Lancang Mekong Cooperation Mechanism, thereby providing a concrete institutional platform for the construction of the Corridor.

Nevertheless, the construction of the China-Indochina Peninsula Economic Corridor has been affected by the South China Sea issue and the policy of the balanced Asia Pacific formulated by the United States. In particular, the South China Sea issue has once seriously affected the relationship between China and Vietnam. This situation improved in 2016. At the 1st Plenary Session of the 12th Communist Party of Vietnam (CPV) held in January 2016, new leadership was elected. Nguyen Phu Trong was re-elected as the general secretary of the CPV, and former Prime Minister Nguyen Tan Dung was ousted from the CPV Central Committee and the Political Bureau. This change was reputed to be the victory secured by conservatives in Vietnamese political circles and facilitated the steady transition of the China-Vietnam relationship. During the Philippine election in late May, 2015, Duterte, who adopted an anti-American stance, was elected president. As a result, the diplomatic policies pursued by Benigno Aquino III have been abandoned. In October 2016, Duterte successfully visited China and promptly restored the China-Philippines relationships undermined by the South China Sea Arbitration. Following the election of Donald Trump, the future implementation of the Asia Pacific rebalancing strategy by the United States would directly affect not only the overall geopolitical environment in this region, but also the construction of the China-Indochina Peninsula Economic Corridor.

In summary, the development of the six economic corridors has achieved various degrees of progress, with the China-Pakistan and China-Mongolia-Russia Economic Corridors outperforming others. Nevertheless, some adverse effects have arisen during the development of the Corridors. The coordinated development of the six economic corridors has the practical effect of reshaping China's surrounding environment and integrates the development of East China, West China, South China, and North China with that of the countries along the six corridors. Over the long term, closer economic links may be forged among China and its surrounding countries through policy coordination, facility connectivity, unimpeded trade, financial integration, and civilian bonds.

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III. BELT AND ROAD INITIATIVE: EFFECTS ON THE GEOPOLITICAL RIVALRY THAT SURROUNDS CHINA

Despite its focus on economic and trade cooperation, the Belt and Road Initiative is still viewed by China's surrounding countries as a plan to intensify geopolitical rivalry given its strategic position and progress.

HEIGHTENING CONCERNS OF SURROUNDING COUNTRIES OVER DIFFERENT CONNECTIVITY PROGRAMS

For China, the Belt and Road Initiative is a comprehensive, multidimensional, and multitiered development strategy for overall deployment that can be used to maximize initiatives and provide comparative advantages to different regions within its territory, implement proactive strategies for global exposure, and promote all-around improvements in its open economy. To that end, the Vision and Proposed Actions Outlined on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road have designated different provinces and industries for the implementation of the Belt and Road Initiative. For example, Northeast China is slated for the China-Mongolia-Russia Economic Corridor; Xinjiang and Tibet are slated for the China-Pakistan Economic Corridor; Yunnan is slated for the Bangladesh-China-India-Myanmar Economic Corridor; and Guangxi and Yunnan are slated for the China-Indochina Peninsula Economic Corridor.

Meanwhile, we should strive for coordinated land-sea development. In the Vision and Proposed Actions Outlined in Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road, the pivotal routes of the 21st Century Maritime Silk Road are clearly defined to begin from China's coastal ports to the Indian Ocean, to traverse the South China Sea; and to reach Europe from China's coastal ports to the South Pacific via the South China Sea. The construction of the 21st Century Maritime Silk Road stresses the roles of key ports as nodes and the joint construction of smooth, safe, and efficient transport channels with the focus on 15 coastal ports, including Shanghai, Tianjin, Ningbo-Zhoushan, Guangzhou, Shenzhen, Zhanjiang, Shantou, Qingdao, Yantai, Dalian, Fuzhou, Xiamen, Quanzhou, Haikou, and Sanya. The development of the 21st Century Maritime Silk Road should be coordinated with that of the Silk Road Economic Belt to achieve balanced development. For example, the development of the Gwader Port should be coordinated with that of the China-Pakistan Economic Corridor; the development of ports in Myanmar and Bangladesh should be coordinated with that of the Bangladesh-China-India-Myanmar Economic Corridor; the development of ports in Qinhuangdao, Tianjin, and Dalian should be coordinated with that of the China-Mongolia-Russia Econo-

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mic Corridor; and the development of the Port of Lianyungang should be coordinated with that of the New Eurasian Continental Bridge.

As a grand blueprint, the Belt and Road Initiative will profoundly affect geopolitics in different regions. India has realized this situation. The eminent Indian strategist Raja Mohan believes that China's Belt and Road Initiative poses a dilemma for New Delhi. On the one hand, India needs to cooperate with China in maritime affairs. On the other hand, it needs to contain China's influence on the coastal waters of the Indian Ocean in the long run (C. Raja Mohan, 2015). Currently, Indian strategists have recognized that the 21st Century Maritime Silk Road may reinforce the strategy of the People's Liberation Army (PLA) Navy to enter and gain a foothold on the Indian Ocean in support of its future military operations. In essence, the 21st Century Maritime Silk Road is a cover for the "string of pearls" strategy with the aim of eliminating China's theoretical threat to the Indian Ocean and providing legitimate defense for China's participation in the construction of maritime infrastructure (Vijay Sakhujia, 2015). If uncontained, China's 21st Century Maritime Silk Road would form a regional framework characterized by hub and spokes in the Indian Ocean Region (Gurpreet S. Khurana, 2015), with China as the axis. India will be progressively marginalized in such a framework.

Indian authorities hold a similar point of view. In this regard, India's Foreign Secretary S. Jaish delivered a speech at the Raisina Dialogue in 2016. In this speech, he stated that India has realized that connectivity would play a vital role in shaping the future of Asian countries and Asian people in the next decade while impregnating current geopolitics. Diplomats currently tend to participate in heated discussions about the potential construction of roads, railways, oil pipelines, or maritime routes instead of national boundaries on the map. Efforts toward connectivity would change the prospect of connectivity in Asia. Therefore, India cannot disregard the act of other countries opting for connectivity as a means for affecting the future. Meanwhile, he seemed to be criticizing China on the grounds that China should negotiate with other Asian countries to establish connectivity, rather than making a unilateral decision that would result in unnecessary rivalry in the absence of a joint security framework in Asia. Generally speaking, connectivity should ease, not promote, rivalry among different countries (Speech by Foreign Secretary at Raisina Dialogue in New Delhi" (March 2, 2015). For Russia, the Belt and Road Initiative has no significance for geopolitics but strains geoeconomics. Russia has refused to accept the Belt and Road Initiative since it's unveiling given the concern that construction under the Belt and Road Initiative would jeopardize the transformation and upgrading of the Trans-Siberian Railway, thereby adversely affecting Russia's development of the Far East and Siberia. In July 2013, the Russian Government upgraded its local industrial infrastructure, promoted mineral resource exploitation, and consolidated the vital status of Russia's Trans-Eurasia

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transportation system in an attempt to accommodate the economic development demand of Eastern Russia. In particular, it formulated a specialized modernization scheme for the Trans-Siberian Railway and the Baikal-Amur Main Line and planned to make massive investments into railway transformation. The Trans-Siberian Railway is the longest railway in the world and has a total length of 9,289 kilometers. It starts from Moscow, the capital of Russia, in the west and extends to Vladivostok in the east. The Baikal-Amur Main Line is a branch of the Trans-Siberian Railway and has the total length of 4,234 kilometers (Russia will Launch the Trans-Siberian Railway Transformation Project March 10, 2015).

The Russian government intends to increase transport capacity to develop the Fast East and Siberia through such a massive transformation project. Nevertheless, road infrastructure construction under the Belt and Road Initiative could curtail the cargo volume of the Trans-Siberian Railway. China may select a more rapid and convenient transit route that starts from Xinjiang to Europe via Kazakhstan. As such, the cargo volume of the Trans-Siberian Railway would drastically decrease. Should this happen the transformation program for the Trans-Siberian Railway would be profitless and may delay or inhibit the Russia's grand goal of developing the Fast East and Siberia.

INTENSIFYING COMPLICATED RELATIONSHIPS AMONG DIFFERENT COUNTRIES IN THE REGION

Given that China is the second-largest economy in the world, its economic cooperation proposal is bound to affect international relations among its surrounding countries. Surrounding powers are concerned that the programs under the Belt and Road Initiative may encroach on their jurisdiction. Russia is concerned that economic and trade cooperation between China and Asian countries under the Belt and Road Initiative would reduce reliance on Russia. China's provision of direct sea access to Kazakhstan and Mongolia has attracted attention from Russia. The Federation Council of Russia stated in a report that China's proactive activities have undermined Russia's influence on economic matters in Central Asia, making Russia lose its status as a major economic partner that is prioritized by Central Asian countries (Russian International Affairs Council, 2014). Russia has reason to fear that Central Asian countries may have the option of China's Belt and Road Initiative or the Eurasian Economic Union given that the former is an alternative to the latter. Nevertheless, Russia has chosen to actively participate in construction under the Belt and Road Initiative to guarantee its own strategic interest. Russia is working with China to jointly construct the China-Mongolia-Russia Economic Corridor and has also expressed willingness to participate in the China-Pakistan Economic Corridor.

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By contrast, India has refused to participate in the Belt and Road Initiative and rejected offers to cooperate with China on projects in third countries. The Bangladesh-China-India-Myanmar Economic Corridor has been held hostage by India's indifferent attitude, and other cooperative proposals by China have also failed to gain response from India. In May 2015, during Prime Minister Modi's visit to China, President Jinping proposed that China and India might work together to aid post-disaster reconstruction in Nepal and discussed the possibility for constructing the Bangladesh-China-India-Myanmar Economic Corridor. Modi provided a positive response and proposed setting up a joint research group for the program. In addition, the External Affairs Minister Sushma Swaraj also maintained that India held an active attitude toward the proposal for the Bangladesh-China-India-Myanmar Economic Corridor and had agreed to discuss and push forward the process by setting up a joint working group (Wang Yi, 2016). Nevertheless, India changed its attitude and delayed coordination. During a meeting with Nepal's Prime Minister KP Sharma Oli on March 21, 2016, President Jinping remarked: "China expects Nepal to benefit from the development of China and India and that Nepal's stability and development are in the best interest of China and India. Nepal could serve as a bridge between China and India. Thus, we are willing to further discuss the tripartite cooperation among China, Nepal, and India." (Xi Jinping Meets Nepal's Prime Minister K P Sharma Oli, 2016). Similarly, China has expressed that India is welcome to participate in cooperative projects with Sri Lanka, only receiving the same response. India would still be highly alert to the implementation of China's Belt and Road Initiative in South Asia.

Meanwhile, given that surrounding powers have proposed different programs for regional economic cooperation, small countries have to sustain a subtle balance between different programs. Such a situation is particularly pronounced in Central Asia and South Asia. Countries in Central Asia defer to Russia and could by no means escape Russia's influence during their participation in the Belt and Road Initiative. For example, the construction of the China-Kyrgyzstan-Uzbekistan Railway has undergone twists and turns, and small countries in South Asia have also shown a prudent attitude toward India's non-participation in the Belt and Road Initiative. The Foreign Minister of Bangladesh expressly stated that Bangladesh would submit the report on the China-Mongolia-Russia Economic Corridor under the condition that India submits the report. As a matter of fact, the construction of the China-Pakistan Economic Corridor has intensified the complicated relations among China, India, and Pakistan.

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ENHANCING THE REVIVAL OF GEOPOLITICS AMONG POWERS

After the unveiling of the Belt and Road Initiative, global powers were first reserved in their reaction and then adopted different attitudes with the development of international situations and China's diplomatic efforts. Such a situation is consistent with the current developmental trends of relationships among nations. China's Belt and Road Initiative has begun to be accepted by Russia and Indonesia because of China's diplomatic efforts but is still rejected by other powers. In early 2014, China carried out talks with India on the Belt and Road Initiative at the 17th Meeting of Special Representatives on the Border Issue. Nevertheless, in May 2014, the new Modi Administration expressed reservations about the Belt and Road Initiative, proposed the similar Project Mausam, and remained highly alert to the Belt and Road Initiative. Japan took various anti-China measures and leveraged the Official Development Assistance program for political ends. In May 2015, the Japanese Prime Minister Shinzo Abe declared that Japan was to invest 110 billion dollars in the Asian Infrastructure Construction Program in the coming five years. This declaration manifested Japan's intention to boycott the Belt and Road Initiative. Japan has also posed substantive challenges to Chinese projects in the global high-speed railway and port construction. The United States, which is also skeptical of China's Belt and Road Initiative, has encouraged Japan and India to play a bigger role in the Indo-Pacific System. The European Union is experiencing hope mingled with fear. It has realized that the Belt and Road Initiative is the "new game" played by the world's second largest economy. Thus, the Belt and Road Initiative presents opportunities and challenges that require proper caution. The different attitudes toward the Belt and Road Initiative adopted by the world's great powers reflect the current close-knit but still distant political relationships among countries and illustrate the current relationship pattern among powers.

On the other hand, maritime competition among the great powers has intensified with China's plan to expand its maritime interests by building the 21st Century Maritime Silk Road and with the maritime power strategy proposed by the newly elected Chinese leadership. For a long period in the past, the PLA Navy merely had inshore defense capacity without the power to break through the first island chain. In recent years, the PLA Navy has dramatically increased its strength, making breaking through first island chain possible. Meanwhile, the increasingly frequent and normalized existence of the PLA Navy has placed countries in the Indian Ocean under strategic pressure, which accounted for the strategic coordination conducted by India and the United States in the Indo-Pacific Region. During Modi's visit to the United States, India and the United States promulgated a joint statement declaring that their leaders have noticed the Act East policy and

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the strategy of rebalancing Asia Pacific and that they will work with Asian Pacific countries to enhance cooperation via dialogue, negotiations, and joint drill (Joint Statement during the visit of Prime Minister to USA, 2016). In January 2015, both countries issued the US and India Joint Strategic Vision for the Asia-Pacific Region and the Indian Ocean Region. This declaration indirectly suggests that India has accepted its role as the sole security provider in the Indo-Pacific Region defined by the United States under the strategy of rebalancing the Asia-Pacific Region. Meanwhile, India has strengthened its maritime security conversation with the United States, Japan, and other countries. On September 25, 2015, the US, Japan, and India held a trilateral ministerial dialogue for the first time. The first Japan–India–Australia Tripartite Leader Security Dialogue was held in June 2015. In 2015, Japan officially joined the US and India in their Yearly Malabar Naval Drill. In terms of security and defense policies, India and Japan also established a Ministerial Level Foreign Minister and Defense Minister 2+2 Dialogue Mechanism. The above developments are all indirectly associated with the implementation of the Belt and Road Initiative.

IV. CONCLUSIONS

We have accomplished great achievements since the Belt and Road Initiative was first unveiled more than three years ago. The six economic corridors have achieved various degrees of development despite different difficulties and obstacles. The Belt and Road Initiative has promoted the integration of China with its surrounding countries and while intensifying geopolitical rivalry, alerting surrounding powers to the political consequences of regional connectivity, and complicating internal regional relationships. We should pay close attention to the implementation of the Belt and Road initiative to prevent possible adverse effects. The future development of the Belt and Road Initiative will result in close economic relationships between China and its neighboring countries, increased mutual cooperation, friendly political relations, and tightened cultural bounds.

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