

Seizing the ‘One Belt, One Road’ opportunity

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China’s ‘One Belt, One Road’ could potentially allow India a new track on its own attempt to integrate South Asia

The central feature of much of the post-World War II American external engagement has been the security of its energy interests. Likewise, recent conversations with Chinese scholars, Communist Party of China members and officials indicate that the ‘One Belt, One Road’ (OBOR) initiative of Xi Jinping’s government is likely to become the lynchpin of Chinese engagement with the world. If, to understand American foreign policy of the years past, many have ‘followed the oil’, to decipher Chinese interests going forward, we may just have to ride the Belt and the Road.

At the third edition of the India-China Think-Tank Dialogue in Beijing, hosted in early January, a cross-section of Chinese scholars and officials discussed India-China relations and prospects for regional cooperation. Unlike at previous meets, this time the conversation cursorily engaged with the usual tensions in the bilateral relationship; instead, the centrepiece of all discussion was the OBOR initiative.

A Mandarin tale

Some facets of the new formulations that are giving shape to Beijing’s vision for OBOR and Asia could be discerned at this recent interaction.

The first was the novel idea of ‘entity diplomacy’. This construction argues for engaging within and across regions to secure the best interests of an entity that is necessarily larger and with interests broader than those of any sovereign. This follows from the argument of a revival of ‘continentalism’ as the Eurasian landmass deepens linkages and ‘Asia’ emerges. OBOR segues perfectly into this framework. It becomes, for the Chinese, an Asian undertaking that needs to be evaluated on the gains it accrues to the entity, i.e. Asia, as opposed to China alone. It therefore follows, from Beijing’s perspective, that Indian and other Asian nations must support and work for the OBOR initiative.

Entity diplomacy also translates into the establishment of “one economic continent”, the second theme undergirding the conversation. OBOR, then, becomes a vehicle that promotes alignment of infrastructure, trade and economic strategies. Indeed, for some Chinese speakers, India is already part of the initiative, as its own projects like Project Mausam and economic initiatives such as Make in India and Digital India complement and complete OBOR. Indian participation in the Asian Infrastructure Investment Bank and joint ownership of the New Development Bank only reaffirm India’s partnership in this Asian project for many in Beijing.

To counter popular allegations of OBOR being a “Chinese scheme”, à la the U.S. Marshall Plan, the Chinese were quick to clarify that the original project is named the Belt and Road Initiative; the ‘One’ has

been an English effect that has popularised a mien of exclusivity around OBOR, to the primary advantage of China, instead of an inclusive Asian economic project.

The third formulation was that of a mutually beneficial ‘swap’ — India protecting Chinese interests in the Indian Ocean, and China securing India’s essential undertakings in their part of the waters, read the South and East China Seas. However, there was unambiguous clarity that if India cannot assume more responsibility in the Indian Ocean, China will step in.

Core conflicts

Structural challenges confront the Chinese formulations and the OBOR proposal. First, the perception, process and implementation to date do not inspire trust in OBOR as a participatory and collaborative venture. The unilateral ideation and declaration — and the simultaneous lack of transparency — further weaken any sincerity towards an Asian entity and economic unity. The Chinese participants explained that Beijing is committed to pursuing wide-ranging consultations with the 60-plus nations OBOR implicates; an ‘OBOR Think Tank’ is also being established to engage scholars from these countries.

The second poser for the Chinese is on Beijing’s appetite for committing its political capital to the project. While for obvious reasons the Chinese would not want to be seen as projecting their military and political presence along OBOR, it was clear that China is willing to underwrite security through a collaborative framework.

The third challenge deals with the success of the ‘whole’ scheme, given that the Chinese vision document lays out five layers of connectivity: policy, physical, economic, financial and human. While no developing country will turn away infrastructure development opportunities financed by the Chinese, they may not necessarily welcome a rules regime built on a Chinese ethos.

Finally, how can this initiative navigate the irreconcilable geometries of South Asia that prevent India from providing full backing to OBOR? A formal nod to the project will serve as a de-facto legitimisation to Pakistan’s rights on Pakistan-occupied Kashmir and Gilgit-Baltistan under the China-Pakistan Economic Corridor (CPEC) that is “closely related” to OBOR.

Options for India

Fundamentally, New Delhi needs to resolve for itself whether OBOR represents a threat or an opportunity. The answer undoubtedly ticks both boxes. Chinese political expansion and economic ambitions, packaged as OBOR, are two sides of the same coin. To be firm while responding to one facet, while making use of the opportunities that become available from the other, will largely depend on the institutional agency and strategic imagination India is able to bring to the table.

First and foremost, India needs to match ambition with commensurate augmentation of its capacities that allows it to be a net security provider in the Indian Ocean region. This will require New Delhi to not only overcome its chronic inability to take speedy decisions with respect to defence partnerships and procurement, but will also necessitate a sustained period of predictable economic growth; OBOR can assist in the latter.

Therefore, just as U.S. trade and economic architecture underwrote the rise of China, Chinese railways, highways, ports and other capacities can serve as catalysts and platforms for sustained Indian double-digit growth. Simultaneously, India can focus on developing last-mile connectivity in its own backyard linking to the OBOR — the slip roads to the highways, the sidetracks to the Iron Silk Roads.

Arguably, OBOR offers India another political opportunity. There seems to be a degree of Chinese eagerness to solicit Indian partnership. Can India seek reworking of the CPEC by Beijing in return for its active participation? Furthermore, for the stability of the South Asian arm of OBOR, can Beijing be motivated to become a meaningful interlocutor prompting rational behaviour from Islamabad? OBOR could potentially allow India a new track to its own attempt to integrate South Asia.

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