1. Introduction

Never in the history of humankind have so many resources been devoted
to making infrastructure connections with so many countries as China
has recently started to do. Under its ‘one belt, one road’ (OBOR)
initiative, China has embarked on the most expansive network of global
development based on mutual benefits. What is this OBOR initiative?
This book tries to shed some light on this question. It does so by looking
at some important aspects of this initiative, including how the various
infrastructure projects have been funded and how other countries have
responded to China’s move, especially those in Asia. Departing from the
largely descriptive narratives made so far to try to understand the
initiative, the book aims to theorise the initiative, placing empirical
evidence found in relation to the initiative against the existing body of
knowledge in the hope of making some advances in international relations theorising. Before I do that, let me give you a simple sentence
to describe this initiative. I borrow the succinct words of Dr Gal Luft,
co-director of the Institute for the Analysis of Global Security, a
Washington-based think tank. To him, OBOR is a grand Chinese strategy
to connect ‘China and Europe in a web of roads, high-speed rail, power
lines, ports, pipelines, fibre-optic lines and other infrastructure with the
goal of stimulating growth in scores of developing countries in between.”1

In late 2013 Chinese President Xi Jinping floated the idea of this
ambitious plan in two separate speeches, one made in Kazakhstan and the
other in Indonesia. The initiative consists of two major components: one
on land and one by sea. The land component is called officially the Silk
Road Economic Belt; and the sea component is called the 21st Century
Maritime Silk Road. They are often referred to, in short, as ‘one belt, one
road’, or ‘belt-road’ initiative (一带一路 or yidai yilu in Chinese).

What are the objectives of this initiative? How and why has it come
about? What major projects have been completed or started so far? How
are they being financed? What are the implications of OBOR for
international relations, in theory and in practice? Is there a new world
order in the making as a result? This book addresses these questions. It
argues that indeed a new world order is in the making, based on available
evidence to be presented in the book. This order is characterised by what
I would call ‘geo-neo-functionalism’ or ‘neo-functionalism with Chinese characteristics’ or, in a new term, ‘geo-developmentalism’. I shall explain why this is the case in Chapters 7 and 8.

To provide a focus and a manageable scope, I choose to concentrate on the high-speed rail connections which China has begun to build in many parts of the world, in addition to the construction of other infrastructure such as seaports, airports, roads, power grids, dams, telecommunication systems, oil and gas pipelines, free trade zones and economic corridors. This ‘high-speed rail diplomacy’ has become the core of China’s ‘infrastructure diplomacy’ which, in turn, has become the core of its New Silk Road initiative. The initiative itself has now become a centrepiece of China’s foreign policy.

THE ORGANISATION OF THE BOOK

The book is organised in such a way that readers can either proceed from start to finish or pick individual chapters to read following their interest and curiosity. The book consists of eight chapters. This chapter (1) is an introduction and Chapter 8 is the conclusion. The six chapters in between examine, respectively, what OBOR is, what China’s high-speed rail diplomacy is, why China has risen so quickly in its high-speed rail industry, how China helps to finance the various mega infrastructure projects under OBOR around the world, how Asian countries and others are responding to China’s initiative, and finally how we can theorise OBOR in order to get a better understanding of China’s developmental path.

The following chapter, Chapter 2, entitled ‘The New Silk Road’, discusses China’s OBOR initiative. It serves as a background to the rest of the book. It does so by posing ten puzzles about OBOR. By attempting to solve these puzzles, I hope readers will get a clearer and better understanding of the initiative that goes beyond what is readily available in the literature market.

Chapter 3 focuses on China’s high-speed railway diplomacy, among other infrastructure connections. The rapid rise of China as a high-speed rail power has begun to shake the world. China now has the longest high-speed rail network in the world, and it has started to actively export its high-speed rail products and technologies. Yet there is little or no in-depth academic study of this phenomenon and its global impacts. This chapter tries to fill this void. It points out that China’s global high-speed rail development is part and parcel of the country’s infrastructure diplomacy, which in turn is a core component of its new initiative to
develop the New Silk Road on land and at sea. The chapter argues that the potential impacts of such a worldwide enterprise on global development would be huge, in terms of international political economy, geopolitics, power shifts and social relations.

Chapter 4 goes on to ask why China has risen to become such a competitive industrial power in high-speed rail construction. Although the country is very much a latecomer to the industry, it has developed extremely quickly in the past decade or so. The country now has the longest high-speed rail network in the world, taking up over 65 per cent of the total global mileage. How did China turn itself around from knowing very little about high-speed rail systems to leading the world in the field, all within about ten years? What explains this great technological leap forward? To what extent can other countries learn from China’s experience? This chapter argues that answers to these questions will have a huge impact not only on technology transfer, but also on the generation of global wealth and its distribution.

Chapter 5 asks some of the most fundamental questions concerning OBOR. Where is the money coming from? How does China finance the various infrastructure projects that it has initiated under the plan since 2014? What are the impacts of such infrastructure developments on the global financial system? Is a new international financial order in the making? This chapter argues that the scale of change in global developmental financing as a result of the implementation of the plan does point to the making of a relatively new global financial architecture. The main reason is that China has reached a consensus with international financial institutions and other countries that there is indeed an urgent need for infrastructure developments in many parts of the world, so as to sustain healthy economic growth based on cooperation and mutual benefits. China is able to show other stakeholders that it has the financial and human resources as well as the political will to do so.

In Chapter 6 we turn our attention to other countries. How have others responded to China’s OBOR, especially those countries in Asia which are close to China, in particular Japan, South Korea and Taiwan? Different countries apparently have different responses, ranging from highly supportive to highly negative with many variants in between. In terms of significance to the success or otherwise of OBOR, the attitudes and behaviour of three countries stand out: the United States, Russia and India. The Sino-US relationship is arguably the most important bilateral relationship in the world, as the US is the sole superpower and China is a fast-rising global power. Russia and India are important because of their strategic positions along the paths of OBOR connecting China with Europe: Russia occupies a pivotal position in China’s New Silk Road on
land via Central Asia, while India occupies a similarly important position in relation to China’s new maritime Silk Road along the India Ocean.

Chapter 7 argues that a new theory emerges from China’s implementation of its OBOR initiative, based on the empirical analyses presented in the foregoing chapters. I name this new theory ‘geo-developmentalism’ or, alternatively, ‘neo-functionalism with Chinese characteristics’. I shall explain why I do so. I shall also trace the growth and development of such a theory, which complements as well as challenges the existing model of development championed by the West under the Bretton Woods system. This chapter spells out the core elements which make up this theory, based on evidence found in the launching of various mega infrastructure projects. These elements include: a win-win formula, infrastructure building, connectivity, geo-economics and geopolitics, cooperation, non-interference, new finance, new institutions, a functional approach and a working peace system. In essence, geo-developmentalism is marked by its openness and comprehensiveness.

Chapter 8, the concluding chapter, draws together the findings from the previous chapters. It tries to project a little into the future as to the likely development of OBOR based on the developments in the recent past and on visible current trends. To do this, the chapter will re-examine the ten conundrums of Chinese foreign policy that I have framed in an earlier piece of work, in light of China’s new diplomacy of OBOR.

As a way to highlight its main contributions, this book endeavours, among other things:

- To unravel the ten puzzles of OBOR (Chapter 2).
- To give ten reasons to explain why China has risen so quickly to become a high-speed rail superpower (Chapter 4).
- To identity the ten features of geo-developmentalism, a brand new departmental path pursued by China (Chapter 7).
- To revisit the ten conundrums of Chinese foreign policy in view of China’s pursuit of its OBOR initiative (Chapter 8).

NOTE