

# China's One Belt and One Road Initiative: The Response to Western Globalization?"

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## Abstract

Since the opening reforms of 1978, China has made a remarkable and outstanding advance in all the fields of life. Forty years ago China's leaders after the death of Mao Zedong found the courage and the strength to put no limits to their country in order to find the proper place in the international arena. China was not going to be anymore a taboo to the world. My paper is focused on a comparative study, for understanding better the differences and the common things between Western globalization and the new China's initiative. One of the main question I have raised in compiling this paper is that if one of the two initiatives of strategies will rule the world or will they be cooperating together? This paper will basically rely in politics, economics, social and diplomacy fields. These four topics are in my opinion the key to understand China's success within the country and abroad and the true challenge of the Western globalization. The XXI century is said that it will be the Chinese century in every aspect. But to prove this, there are required a lot of efforts and above all a lot of good understanding if China will take on the world, not forcefully but peacefully.

**Key words:** China; USA; Europe; politics; economy; diplomacy; power;

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## 1. Introduction

China's rapid development over the past four decades has been characterized by a massive amount of surplus rural labor flooding into cities. The level of urbanization in China grew with impressive fastness from 17.9 % in 1978 (the year of the opening reforms of Deng Xiaoping), to 56.1 % in 2015 (Guangzhong, Li, Ruimin, Tao, p. 1). During these last 30 years China's rapid economic growth turned the country into the world's fastest growing economy. The average of its growth rate is approximately 9 percent (Ailun, Westlund, Hongyi, Yonggjian, p. 22).

The year 2013 was an extraordinary year for China's diplomacy. The world went through greater changes with profound adjustment going on across the globe involving the shift of the growth model, regional trade arrangements, evolution of the geopolitical landscape and the system of international governance. China's diplomacy took the initiative to develop fresh ideas and break new ground in light of new trends in the international environment and China's domestic reform and development agenda. China is exploring a path of conducting major-country diplomacy with Chinese characteristics, according to Wang Yi, Minister of Foreign Affairs, on March 2014 (China's Foreign Affairs, p. 103).

## 2. China and the new era of global governance

The word "globalization" was used for the first time in 1962, in an article in *The Spectator* magazine in the United Kingdom (Boriçi, 2016, p. 142). The global word usually refers to a situation that goes beyond the international order or the inter-state system. Its use evokes a wide array of actors in the world affairs ranging from individuals and social groups to international organizations and others, apart from states, as a major set of actors. What is governance? Perhaps the most authoritative definition of governance comes from a report compiled but the commission on global Governance, consisting of twenty-six prominent members from around the world, chaired by the former Swedish premier, Ingvar Carlsson. Together with Shridath Rampal who was former general secretary of the British Commonwealth. Their report, entitled *Our Global Neighborhood*, published in 1995, has given probably the most specific definition on global governance by saying that:

*"The sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest" (Chan, Lee and Lai Ha Chan, 2012, p. 9).*

The Western Europe's globalization strategy starts with the British Industrial Revolution the way of which was paved after the Glorious Revolution of 1688 (Acemoglu & Robinson, 2013, p. 191). The first step towards globalization was to unify British islands and this was made possible in 1707 first with the unification between Scotland and England (Acemoglu & Robinson, 2013, p. 192). But there are other scholars that define that the Western globalization doesn't start with the British Industrial Revolution but four centuries ago. Marco Polo is recognized to be the first European who spoke about the beauties of China and everything about that country amazed him (Morris, 2011, p. 384). But, when Marco Polo returned to Venice in 1295, and spoke about China, nearly nobody believed him. Even today, few historians still wonder whether Marco Polo actually went to China (Morris, 2011, p. 385).

In 1492, another Italian sailor called Christopher Columbus sailed to Americas and till lately he was convinced that he has reached China and in 1513 his cousin Rafael Perestrello would really be the first European who actually reached China (Morris, 2011, p. 385).

So much ado who has first sailed to China! But, we need to bear in mind that China can be a problem or it can be the solution, and China may still harbor strong reservations about institutional multilateralism and may not be willing to surrender its sovereign control over rule-making and implementations (Chan, Lee and Chan, 2012, p. 22). I brought these examples for the sake of the memory, in order to be true about the importance of China in the world. China was the dream to be achieved since late Middle Ages.

Differently from European and American culture, in Chinese, the word "tradition" means inheritance (Park, 2016, p. 505). In the Chinese world the relations between a so-called modern society and its traditional culture should be the first of all the relationships of inheritance. The effort to embraces both the cultures of past times and the culture of present times,

consists on truly challenge. The ability of the Chinese world makes the Chinese culture very specific given also its history dating since thousands of years ago. This gives to the Chinese culture the ability to re-form and repeat itself. In the mid twentieth century, Chairman Mao Zedong, wanted to construct a new Chinese culture which knew only selfless rededication to collective ideals according to his understanding of communism, while mass of the people would carry in his version of class struggle to the very end (Park, 2016, p. 506).

Fifty years has passed since Mao's unsuccessful ideological campaign for the Great Proletarian Revolution. Mao's successors gathered strength, spread its consequences and influences, and directed attention to "foreign influences" impacting the essence of Chinese stabilization of the country. After that period, in China began the spreading of the Western world influence, especially the American one (after 1971).

### **3. The challenge to adapt the communist ideology with the new foreign policy**

Mao Zedong never admitted that the Cultural Revolution had fallen off shortly of his original design (Short, 2017, p. 579). But Mao had other concerns. Revolution, he was fond of saying, was not something easy. It was the overriding priority of the perennity of the class struggle. After he passed away, the ideological content of Chinese leaders' world views changed. Before the XI Party Congress of August 1977, Chinese leaders were still captured by the Mao Zedong's theory of the three worlds. That theory, has its origin since 1964, but was only on April 1974, that was unfolded to the world by the speech of Deng Xiaoping in the General Assembly of the United Nations. In November 1977, the editorial of People's Daily, the official organ of the Central Committee, published a meaningful article concerning this theory with the title "Chairman Mao's Theory of the differentiation of the Three Worlds is a major contribution to Marxism-Leninism" (Cheng, 2016, p. 3). Again there were writings that the United States of America and the Soviet Union were the common enemy of mankind. The Third World, was the main force against imperialism, colonialism and hegemonic, and that the Second World was the force that could be united within the broadest possible international united front against superpower hegemony (Cheng, 2016, p. 3). What was noteworthy was that the article provided for the first time, on a theoretical basis, about

why the Soviet Union was more dangerous than the US relations as a threat to the world peace (Cheng, 2016, p. 4).

In the beginning of the 1980s, there were signs on the horizon that theory was set apart, or even worse, forgotten. In XII Congress held on September 1982, the General Secretary of the Communist Party of China, Hu Yaobang, stated that the country had been entering to an independent Foreign Policy in the international relations, and China's modernization would require a peaceful world (Cheng, 2016, p. 4). The real turn of China's foreign relations started during 1992-1993. The Chinese government worked hard to make and restore its perceived rightful place in the world (Cheng, 2016, p. 7).

The actual international system after the fall of the Berlin wall and the collapse of the Soviet Union, is designed primarily to represent, promote and above all protect the American interests. As China's power grows, together with that of other countries like India, Brazil or Turkey, the United States will have to adapt their system and its institutions to please their demands and aspirations, but in accordance with the reform in the IMF and even the G8 (Jacques, 2012, p. 360). As China begins to emerge as a global power, what forms will its growing strength take? Or, to put it another way, what will a globally hegemonic China look like? Over the past two centuries, there have been two globally dominant powers: Britain between 1850 and 1914, and the United States from 1945 to the present (Jacques, 2012, pp. 496-497).

Since the late 1970s China has liberalized most prices by giving an unprecedented period of economic growth that increased GDP per capita from \$674 in 1978 to \$5,086 in 2004 (Cai & Treisman, 2010, op. cit., p. 85). What made this possible? Firstly, focusing on the pre-reform economy's basic organization. Rather than a specified, nationwide hierarchy, China's economy consisted of in parallel diversifying the provincial economies. This situation reduced the fall of competition when the new markets were introduced. Secondly, the political decentralization urged local reforms' experiments to allow new ideas to pervade up from the grass roots. Thirdly, the decentralization created political controls at the central authorities, limiting predation and convincing the investors that reforms would last. Fourthly, some suggest fiscal decentralization gave local officials strong incentives to stimulate economic growth. Fifthly, the decentralization forced the local and central enterprises, to restructure (Cai & Treisman, 2010, p. 88).

China is absolutely the most successful of the remaining communist countries in implementing economic reform compared with the former communist countries in the Eastern Europe and the countries of the former Soviet Union (Oi, 2010, p. 33). The real GNP in China got an average annual rate of 10.4% from 1980 to 1988 compared with only 6.4 percent during 1965-1980. The total GNP grew more than twofold between 1978 and 1988 (Jones & Breslin, 2015, p. 117).

#### **4. China's economic reforms and the Western dilemma**

What has done China to achieve economic growth averaging 9% per year over the past fifteen years? There are three specifications about that:

- The economic reforms were successful without changing the structure of political leadership.
- The central government has not imposed awkward exactions in the successful enterprises.
- Finally, in a long-term point of view, there is no reason that the compulsory plan be eliminated and the oriented plan to become the only planning method in China (Li, 2017, p. 79).

The decentralization in China is different from the Western federalism in several important aspects. First, the latter virtually always protects federalism within and an explicit system for protecting individual rights. Second, Western federalism has strong and basic constitutional foundations. Third, it is always related with the political freedom, representation, and democratization (Montinola, Yingvi & Weingast, 2010, p. 11).

The fall of socialism in Eastern Europe and the former Soviet Union has had an important impact on China. Differently, China's reaction to the collapse of communism in the former Eastern Europe and Soviet Union was to recentralize. But this was not an efficacious move. The Chinese government realized that its system's legitimacy, could only continue if would be economic growth. Several reforms would be needed to allow the foreign market and goods to penetrate China. As a result China would soften the shrinking of domestic production and unemployment. The importance of the central government would strengthen again. Otherwise, the communist regime of China would have been at risk, or worse, would collapse. Replenishing this economic impetus, is the economic stake due to

openness to the international market, in particular, pressure from the booming East Asian neighbors (Montinola, Yingvi & Weingast, 2010, p. 19).

More recently, the meteoric rise of China has made analysts question whether the United States still retains hegemony. China's economy is now the second largest in the world, and already consumes more energy than the United States of America. It seems only a matter of time until China's become the world's largest economy perhaps prior to 2020. Additionally, unlike Japan and Germany, China's power is not primary economic - it is a nuclear power with a large army and has a permanent seat at the UN Security Council. China has already turned many of its economic gains into military production, a trend that is apt to continue as China strives for regional, if not global, influence (Peinhardt & Sandler, 2015, p. 115).

The XV Congress of the Chinese Communist Party ordered a sweeping reform that would transform the ownership of state-owned enterprises (SOEs). Though a term "common ownership" which was the official name given to this scheme, it was looked as an initiating code to privatization. China is a big country with enormous economic potentials and given this size, that is perhaps the most ambitious privatization plan that the world has ever seen. The state sector for nearly half a century was the dominant one, it is quite understandable that the scheme had a shocking psychological effect at home and abroad the moment it was officially declared (Qingjiang, 2010, p. 144).

Bordering with Central Asia, China competes harshly with Russia for a sphere of influence. The trade exchange China and former countries of the Soviet Union in the Central Asia has risen from \$527 million in 1992 to \$ 25.9 billion in 2009 (Kaplan, 2013, p. 205).

China has a very ancient and old civilization. Its written history dates over 4,000 years. Engineering feats include the Three Gorges Dam, the Great Wall of China, and the Terracotta Warriors. China is the birthplace of gunpowder, the compass, papermaking, and printing (Schweitzer & Alexander, 2016, p. 68).

In many aspects, China began to emerge as a global trading power in 1993. From that year, its exports increased by 60 percent in two years (53 percent in real terms), and doubled within five years (Breslin, 2010, p. 207). In 1993, the trade deficit was US\$12.2 billion. After that year, it was transformed into a US\$5.4 billion in 1994, and with a trade surplus going to US\$40.3 billion in 1997 (Breslin, 2010, p. 210) In joining WTO in 2001, Chinese authorities agreed to give up many of the mechanisms that had

been used to protect domestic actors in previous years. Among the countries within the EU that China have more economic relations is beyond any doubt Germany with 47% of the whole package of China's relations in Europe (Brødsgaard, 2013, p. 458). This is a clear index that China aims to compete with the most important countries in the world.

### **5. One Belt and One Road initiative or strategy?**

This project was initiated as an process on September 7<sup>th</sup> 2013, from the actual Chinese Chairman Xi Jinping in a speech during a visit in Kazakhstan, at the Nazarbayev University (Bialkovich, 2016, p. 47.). The main theme of the speech was the aim to strengthen the Eurasian relations through economic cooperation. The One Belt and One Road initiative is totally a Chinese initiative. But what essentially is One Belt and One Road initiative? During the classes in the China Studies program in September 2017, this initiative as is in its beginnings upholds five principles which are:

- Mutual respects;
- Mutual-nonaggression;
- Reciprocal non-interference;
- Equality and mutual benefit;
- Peaceful coexistence (Helmy, 2016, p. 112).

During the talkings in the VPYS program in the Chinese Academy of Social Sciences, B&R initiative is also based on five fields:

- Political Coordination;
- Infrastructure connectivity;
- Enhanced trade;
- Currency support (exchange);
- People's exchange, cultural diplomacy.

China has a global economy recover plan. This plan starts with China. From 1912 to 2020, China would conclude the process of its society modernization and the enforcement of middle class structure. But to take on the world, requires to face big challenges. With the conversation I've made with the Department of International Politics Theory and with the Department of International Strategy in CASS, China to fulfill this strategy, has the power to act but not the power to attack. Based on this vision, China's One Belt and One Road initiative is totally a peaceful strategy to

improve the relations among the peoples of the world. The goal is to peacefully connect, Asia, Europe and Africa based on economic initiative. As the world economy is slowly recovering the Belt and Road initiative if it's succeeds, would cover a population of nearly 4.6 billion which is more than 60% of the world's population, and would have a total GDP of \$20 trillion, about 1/3 of the global GDP (Feng, 2016, p. 383).

International cooperation on production capacity against the background of the Belt and Road initiative is based on a new philosophy of development. The Chinese president Xi Jinping, during the presentation of this initiative also spoke about five "determinations" of the G20 parties to introduce consensus during the Hangzhou Summit. This determinations were:

1. Be determined to identify the direction of the world's economy and plan routes;
2. Be determined to innovate the manner of growth so as to inject new impetus into world's economy;
3. Be determined to improve the global economy and economic governance, so as to enhance the capability of the world's economy for withstanding risks;
4. Be determined to re-invigorate two engines, which are international trade and investment, so as to build and open world economy;
5. Be determined to promote inclusive and interdependent development, and render the cooperation achievements made by the G20 beneficial to the whole world (Feng, 2016, pp. 388-389).

For some scholars, Belt and Road initiative is a response to Western globalization to build a better world (Albrow, 2016, p. 11). With the strengthening of China and maybe the decline of the US's global dominance, the competition between China and the US has intensified. Despite the interdependence and the hope for arriving at a win-win situation instead of a zero-sum game, historical experiences show that competition among major countries can easily be affected by irrational factors, with unexpected and even adverse results. According to Western theories and experiences of international relations, rising powers often challenge established ones, and the latter often fear and take precautions against the former, leading to a situation known as the Thucydides trap, a term coined by a Greek historian (Yongnian, 2016, p. 37). If we see what happened in ancient times between Sparta and Athens, or a century ago

between England and Germany, is well hope to avoid a clash between China and USA.

In general, Chinese statesmanship has a tendency to view the entire strategic landscape as a part of a single whole (Kissinger, 2011, p. 31). With this distinction China enters the XXI century as a country claiming global relevance for the proper culture and institutions with the culture and world institutions. The Belt and Road initiative confirms this.

## 6. Conclusions

The new century came in the global community with the prospect of the American power at its heist. In 2004, Charles Krauthammer, a known neo-Conservative, wrote:

"On December 26, 1991, the Soviet Union died and something new was born, something utterly new - a unipolar world dominated by a single superpower unchecked by any rival and with decisive reach in every corner of the globe. This is a staggering development in history not seen since of the fall of Rome" (Jacques, 2012, op. cit., p. 7).

Will China defy American and Western supremacy? What will be the characteristics of China's success following Belt and Road initiative? There are seven characteristics that I would like to collocate in this paper which I learned during my China Studies in September 2017:

1. China describes itself a nation-state, but in true is a civilization-state
2. China in its relations in Asia and not only there, tends to promote itself as the fulcrum of the future world's economy;
3. China's attitude towards the world is shown peaceful;
4. China is more than a state within a continent; China represents the good part of the Asian continent;
5. China's policy is very much specific; it's a highly competent institution represented by a strong party leadership since 1949;
6. The modernity in China is matched by the speed of the country's industrialization;
7. China's regime since 1949 is stable and concrete. In other words, was promoted "Socialism with Chinese characteristics".

The last characteristic was also affirmed and confirmed by the 19th Party Congress which was held in Beijing in October 18-25, 2017. In the report he delivered at the opening of the 19th National Congress of the Communist

Party of China, Xi Jinping, general secretary of the CPC Central Committee, announced that socialism with Chinese characteristics has entered a new era (China Daily, 25/10/2017. [www.chinadaily.com](http://www.chinadaily.com)).

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