China’s One Belt, One Road (新絲綢之路) strategy is part of the country’s grand strategy for realizing the Chinese dream of the ‘great national renaissance’, and advancement of the world’s second largest GDP in 2018 boosted China’s confidence, and the Xi Jinping administration put forward a new foreign strategy of dimensions completely different from those of the past. China’s One Belt, One Road project can be likened to two wings arising from the rising China.

The success or failure of the initiative will ultimately depend on the progress in China’s relations with its neighbors. Although the initiative is welcomed in the Asian and African countries with high demand for infrastructure development, the US and other great powers along with a number of regional players are concerned that China is using this opportunity to expand its sphere of influence. Several nations, including the US, Japan, and India, regard One Belt, One Road as a Chinese soft power performance rather than a choral performance and are wary of it.

Especially worthy of observation is the position of the US. During her tour of four countries in Central Asia in 2011, then-Secretary of State Hillary Clinton proposed building a New Silk Road economic zone by investing in the countries of the region in order to increase the American influence there. The Chinese strategy can be seen as countering that plan. There is also an opinion that One Belt, One Road is not intended directly to challenge the US policy of rebalancing Asia, but to thwart it indirectly by expanding China’s sphere of influence. At the time of establishing the AIIB, the US assessed it as an attempt to build a new financial order led by China, and to fuel the plan, to take a stand opposing membership in the bank by American allies and countries of Western Europe. The US failed, however, as the UK, Germany, France, New Zealand, Australia, and other countries joined the AIIB. The subsequent change in US attitude – the welcoming remarks and promises of cooperation by the Governor of New York and the expression of support by Washington – is a positive sign. Nevertheless, we have yet to see how American-China relations evolve over the issue.

One Belt, One Road is not just an economic and political initiative, it is a long process and the One Belt, One Road initiative is no more than a step toward it. Recognizing such concerns, Beijing emphasized in the ‘Vision and Actions’ that the project will be carried out according to a long-term plan. For this reason, “Vision and Actions” clearly states that cooperation is indispensable for the attainment of the Chinese dream as well as for its neighbors. The idea of the Silk Road Economic Belt (絲路經濟帶) was first mentioned by Xi Jinping in 2013 and developed into its proposal, in Indonesia in October of the same year, to jointly build a Maritime Silk Road. On 27th March 2015, China’s National Development and Reform Commission, Ministry of Foreign Affairs, and Ministry of Commerce together released a detailed plan for the strategy implementation, titled “Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road.”

The strategic intentions behind the initiative are to satisfy the demands of the neighboring countries by utilizing China’s foreign reserves of 4 trillion USD, to resolve the problem of overproduction of steel and cement in China through trade, and to expand China’s global influence in concert with over 60 nations of the Silk Road. The demand in neighboring countries for the construction of infrastructure (social overhead capital) facilities through loans is enormous. It is estimated that in Asia alone the demand for infrastructure development until 2020 will amount to 8 trillion USD and the investment in transportation infrastructure in the region beyond Asia will total 5 trillion USD. To bring the One Belt, One Road initiative into fruition, China created the 40 billion USD “Silk Road Fund” in 2014, the Asian Infrastructure Investment Bank (AIIB). The investment of a large part of China’s 4 trillion USD foreign reserves into infrastructure development is a major step in the use of yuan internationally and contributes to the advancement to the rank of one of the key currencies in the world.

Another important strategic objective is energy security. To China, securing energy supplies is a continuous struggle. For this reason, “Vision and Actions” clearly states that communication in procuring and transporting energy is a major condition for China’s economic growth. Therefore, obtaining reliable transport routes and diversifying transport routes by ensuring the safe and natural transportation of the world’s second largest GDP is of critical importance to China’s energy security. From this perspective, the Silk Road Economic Belt and the New Maritime Silk Road projects can be likened to two wings arising from the rising China.

By maintaining a posture of unmasked defiance toward China, the Abe administration is garnering support from many Japanese who feel no affinity toward China. One Belt, One Road is likely to be realized due to the North Korean nuclear development problem, there are many other ways for South Korea and China to cooperate in building infrastructure in developing countries but also join efforts with China in distribution, development of resources and new industries. Such cooperation is beneficial to both parties, but it is also desirable for the future of Northeast Asia because it contributes to creating a regional economic zone.

One Belt, One Road is an ambitious grand strategy for realizing the Chinese dream of the “National Rebirth,” or “China dream.” The Newsletter’s key projects of the Eurasia Initiative is the construction of the Silk Road Express with a trans-Korea railway and transcontinental railways as its basic axes, to promote peace on the Korean Peninsula. China is already pushing forward with or examining several business projects related to transportation infrastructure – such as roads and railways – in North Korea, so there is the possibility of North Korea’s participation in such projects. However, with the relationship between South and North Korea strained by North Korea’s fourth nuclear test, the Silk Road Express remains an unattainable dream.

Nevertheless, both South Korea and China have the will to connect One Belt, One Road and the Eurasia Initiative. Even if the construction of a trans-Korea railway cannot be realized due to the North Korean nuclear development problem, there are many other ways for South Korean-Chinese cooperation in building infrastructure in developing countries but also join efforts with China in distribution, development of resources and new industries. Such cooperation is beneficial to both parties, but it is also desirable for the future of Northeast Asia because it contributes to creating a regional economic zone.

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