The One Belt One Road (OBOR): China’s Strategy toward a New Form of Globalization

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Dedication

This work is dedicated:

with love and affection to my beloved Mother Nacira
and all women, who, throughout the long past years,
have contributed to the joys of life.

To my great father Salim, who never stopped giving of himself in countless ways.

To my dearest fiancée Youcef, who leads me through the valley of darkness and who I can't force myself to stop loving him.

To my beloved brothers and sisters; Koouka, Ahlem, Hythem, Houari, Badri.

To all my family, the symbol of love and giving.

To my friends Wissam, Souna, Ibtessam, Joula, Meriem; Chaima who encouraged and supported me.

To all the people in my life who touched my heart.

I
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Abstract

China’s One Belt One Road (OBOR) is a cornerstone of international projects that create a trade bridge for mutual benefits and regional integration primarily among emerging economies. OBOR provides new ways of sustainable economic growth in China and of cross-border trade, along The BRI, with its ‘Silk Road Economic Belt’ and ‘the Twenty-First-Century Maritime Silk Road’.

The initiative focuses on restoring global balance and on expanding universally beneficial and inclusive relationships. This research argues that the forces of globalization are so pivotal to Eurasia. Although the rhetoric of facilitating trade movement across the continents has appealed many countries to participate in the project, China’s true intentions should be questioned. Furthermore, the US ample campaign against the Chinese initiative has been a suitable proof of Western —and some Eastern- countries suspicions about the project, with some even deeming it to be a new form of colonization.

This research provides theoretical perspectives on BRI as a cornerstone for sustainable regional development. It also highlights BRI programs and projects that have emerged as an internal and external policy framework for an openly inclusive “win–win” cooperation model based on shared development and on communities of shared interests.

**Key Word**: OBOR, Globalization, The US, win–win, China, Infrastructure.
**Acronyms**

**ADB**  Asian Development Bank

**AIIB**  Asian Infrastructure Investment Bank

**APEC**  Asia Pacific Economic Co-operation

**ASEAN**  Association of Southeast Asian Nations

**ASEM**  Asia-Europe Meeting

**EIB**  European Investment Bank

**EU**  European Union

**GDP**  Gross Domestic Product

**OBOR**  One Belt, One Road

**TTIP**  Transatlantic Trade and Investment Partnership

**TPP**  Trans-Pacific Partnership

**BRI**  Belt and Road Initiative
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General Introduction
**General Introduction**

The Belt and Road Initiative (BRI), also known as the One Belt and One Road Initiative (OBOR), is a development strategy proposed by Chinese Government. It focuses on connectivity and cooperation between Eurasian countries. The mega-investment and infrastructure program captivated global attention which literally means free trade by lifting barriers and expanding access to markets.

From an economic point of view, OBOR is used as a means to export China’s excess capacity in traditional industries such as steel. Such motive is similar to that of the Marshall Plan in which the U.S. was desperate to expand external markets to absorb its excess capacity at home. On the other hand, The “Chinese approach” stressed on prioritizing the economic development, state involvement in the economy, foreign policy based on equality, and cultivation of people-to-people exchange.

The driving force behind this research is the interest in the remarkable emergence of China as a global power. Nowadays, the legitimacy of the US is contested by internal dynamics of its Member State that have the potential to threaten its future. Recent economic and political turmoil has undermined its solid grounds founded decades ago. Therefore, it is crucial to discuss the implications of both endogenous and exogenous dynamics in relation to the future of this institution.

Personal reasons reside behind this study is that the writing of this thesis is a mandatory final assignment of the Master’s Degree in English language at University of Biskra. Therefore, this topic, as the Silk Road, could be a new field in English faculty in
university of Biskra that carries on the Chinese studies beside the British and American studies.

The US is always regarded as a powerful economic world leadership. It has a strong impact on the international business. The collapse of the Brixit as well as the decrease of the American impact on the global economy opens the door for China to expand its sphere of influence. The revival of the ancient Silk Road trading which is unveiled by the president of China paved the way to the Chinese nation to expand to the global. It was a new challenge for China to improve its economy. The OBOR project generates a hot debate whether it is a sort of Chinese strategy to marginalize the United States or, as Chinese experts assert, it is an opportunity for the whole world particularly the US to be flexible and to serve its interests instead of refusing and opposing this project.

The research question of this work then will be:

- **To what extent China's global project OBOR will challenge the globalization conducted by the U.S.?**

Furthermore,

- **How does the OBOR as an economic project enhance narrowing the economic gap between USA and China?**

Thus, for resolving the problem of this enquiry, we suggest a number of hypotheses:

- As long as this project will be embraced by numerous countries around the world, the OBOR will lead to a shift in the roles of globalization.

- China’s well developed infrastructures and the technological ways of transportations will improve trading, consequently, improving the economic hegemony.
Various studies were held about the massive effects of the OBOR on changing the roles of globalization. Several statistics shows that BRI drives globalization since its inauguration in 2013, over 100 countries and international organizations have signed up to the BRI, covering 63% of the world’s population, three-quarters of global energy resources, and 40% of world GDP. HSBC states that BRI will generate roughly 300 billion to 500 billion yuan in railway investment, financing over 15,000 kilometers of high speed rail (Sito 17).

The intent of this study is to provide an overview of the Chinese New Silk road OBOR, which have resulted in rapid economic development in China as well as in the global economy. The global economic collaboration that China aims to will affect several countries statues, and lead to reshaping the map through the infrastructure connectivity, thus give opportunities to the middle East and the Eurasian countries to develop.

Some political and economic experts claim that this project intends to adjust the economic positions between these two poles of power, in which they predict that China will take the lead from the US especially because several important Eurasian and African countries embraced the project, and the relations between China and UK had strengthened. They expected to increase trade investment by facilitating access to new markets, the railways networks and the advanced transportations means. In this case, the US considers that OBOR project is an attempt of China to marginalize and sideline it from the global economy.

The study utilized both primary and secondary data sources. Primary data was collected from key information in. This research applies the descriptive methodology to understand the impact of the New Silk Road on US-china relations and determine the attitude of the US towards OBOR project. It depends on analyzing various references, collecting data
about the economic investment of US, surveying US-CHINA treaties and agreements, and how the US deals with this kind of projects. In addition, this research relays on debates that explain the dynamics behind regional integration processes. It allows concluding the attitude of US toward OBOR project the Chinese expert's evaluation about the US investment.

The study mainly has time frame i.e. since 2013. Because this year marked the emergence of BRI as a new phenomenon that has shaped China’s main foreign policy plan. Therefore, the study is based on global relations under the initiative after the mentioned year. Moreover, the study largely analyzes the relations on the areas of trade, investment, infrastructure, policy harmonization, financial, as well as people to people relations as put in BRI’s cooperation goals.

The dissertation contains three chapters; the first chapter is the introductory section of the study. It is background section, describing Silk Road, giving a general framework to better understand the context. It also presents the main features of new wave of globalization that contains Chinese characteristics.

The following section presents the OBOR from US perspective, starting from a brief history about the US-CHINA relations then explaining the current status of US-China relations. The last chapter includes futuristic views of the project and the main criticism that it held by several countries on the world, it also include the possible implementation of the project in the Middle East and in Palestine as special case.

The conclusion summaries the findings of this research and points out the future US China relations possibilities.

There is uncertainty about many of the details of this project due to the intrinsic nature of this initiative. It has the potential to make the project evolved in certain and unexpected
directions that may respond to the current international geopolitical and economic context. In turn, it makes the constant research in this field more necessary, in order to keep the assessment of its implications updated. In this sort of events, the disclosure and announcement of new changes, agreements and details may have an impact in the eventual development of the New Silk Road, so that the present is confined to investigate issues related to this project, rather than preventing them from doing so.
Chapter One

An Overview of the One Belt One Road
Chapter One: An Overview of the Belt and Road Initiative

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Introduction

With the decrease of the American influence on the global trade, Chinese government announced The New Silk Road initiative. It is a platform adopted by China to strengthen the ties between its western neighbors and other continents. In October 2013, Chinese President Xi Jinping unveils the ‘One Belt, One Road initiative’ (abbreviated to OBOR) in his inaugural address delivered at a University in Kazakhstan. Chinese President outlines his 21st century vision of the old project. China attempts to revitalize the routes of its predecessors through a Maritime Silk Road and an overland Silk Road Economic Belt. The mega-investment and infrastructure program across Eurasian countries, Southeast Asia and East Africa creates a trade bridge and a wide network of commerce routes that facilitate the exchange of goods. Through One Belt, One Road initiative, China hopes to develop the connectivity between these regions, as it generates a better economic growth at both domestic and international levels.

The present chapter provides a historical background of the OBOR tracing the ancient Silk Road until its collapse. It outlines the theoretical concepts and the previous economic reforms that conceptualize the fundamental frameworks of the initiative. The chapter also covers the basic OBOR main key components. It demonstrates how such international project lead to the emergence of China’s own brand of globalization based on a number of economic and political factors.

1.1. Origins of Silk Road

The Silk Road is a complex system of commercial routes that links the east and west of the ancient world. Historical records demonstrated that there were several trade routes of
exchange that mixed together while other disappeared. The ancient Silk Road assembles many important cities and passed through mountain corridors, forts, and even parts of the Chinese wall. These routes contribute in the prosperity of these civilizations, as Liu stated "[it is] historical and cultural heritage shared by all countries of the world" (Liu 12).

The German geographer Ferdinand Von Richthofen published his work at Berlin in 1877 under the title: China, the Results of My Travels and the Studies Based Thereon. He studied geography of central Asia and the western part of China in the 1960s. The study shows that a wide commercial network connected regions and civilizations in Central Asia, Middle East and Europe during the 2nd century AD. The term Silk Road is coined by Richthofen. It is called so because the main exchanged goods are made of silk material. It was the main business at that time. Silk trade contributes significantly in the prosperity of these civilizations (Liu 2).

Daniel Waugh in his article The Silk Road in history gave proofs about the existence of these routes since a long time. Waugh pointed out that Richthofen’s concept was too limited; it was related to the movement of the silk material overland from east to west between the “great civilizations” of Han China and Rome. Waugh mentioned various discoveries go back to the 1st millennium BCE which extend Richthofen’s concept, and as it quoted:

Among the most exciting archaeological discoveries of the 20th century were the frozen tombs of the nomadic pastoralists who occupied the Altai mountain region around Pazyryk in southern Siberia in the middle of the 1st millennium BCE [...]. The Pazyryk tombs clearly document connections with China: the deceased were buried with Chinese silk and bronze mirrors. The graves
contain felts and woven wool textiles, but curiously little evidence that would point to local textile production. The earliest known pile carpet, found in a Pazyryk tomb, has Archaemenid (ancient Persian) motifs; the dyes and technology of dyeing wool fabrics seem to be of Middle Eastern origin. (Waugh 10)

The Silk Road started from Luoyang and Chang’an during the Han Dynasty. The Chinese's art of silk and its production is kept as a secret over centuries. The Chinese had a monopoly of the silk trade. Chinese silk spread widely reaching the Roman Empire. As a result, a series of trade routes emerged from the west coast of Japan. More than 15000 km routes were built across the centre of Asia and the Mediterranean.

The Silk Road was originated in Chang’an the ancient capital of China along various secondary corridors. It passes through Central Asia to Turkmenistan, Iran, Mesopotamia, Baghdad and Damascus to reach the Mediterranean Sea. Other maritime routes are discovered thanks to the speed of the sea transportation. Exchanging their goods with merchants of different languages and culture helps learning new languages and traditions. Silk Road is also a place where cultures are intertwined. Furthermore, science, art, literature and politics are shared among traders who come from different nations. Figure 1 shows the Silk Road’s different corridors and the cities that it links along with its history ( "Ancient Silk Road Map the Great Silk Road Map of Ancient Silk Road with Modern" para. 1)
Figure 1: A Map of Ancient Silk Road Corridors

1.2. Previous Attempts of Reviving the Ancient Silk Road

Notable events revitalize the Silk roads, but it seems that China’s contributions in implementing the project have captured a serious attention. In 1998, Japan started to present the Silk Road Diplomacy as a way to increase its presence in Central Asia. In 2008, the Turkish Minister of Customs and Trade Hayati Yazıcı highlighted the principle of promoting trade among Silk Road countries. In 2011, it was the turn of the United States; the proposal of a New Silk Road presented by the former US Secretary Hillary Clinton during an official visit in India (Clemente 43).

In 2015, Russian President Vladimir Putin also spoke about the New Silk Road in his address to the United Nations General Assembly in New York. The Kremlin has worked in
the last decades to develop its own integration plan of the Eurasian Economic Union (EEU). Several states less powerful than The US and Russia like Kazakhstan, Georgia and Korea, have presented similar projects but only China seems to be able to capture the real interests of its neighboring countries and realize its design.

1.3. The Development of OBOR

President Xi Jinping’s speech carries several goals that determine his visions. The president emphasizes on realizing the Chinese dream of China’s rejuvenation. He seeks to continue the previous initiatives to modernize China by giving opportunities to young people who can serve developing the nation by 2049. This dream is an extension of a series of economic reforms and philosophical theories that were intended to be achieved.

After the civil war of 1949, Mao Zedong declared the People’s Republic of China. One of his objectives is to transform China into an industrial country with the help of the Soviet Union. He intends to integrate China in the global capitalism through Opening Up reform. It is programmed to restor its former imperial prosperity, which after protracted internal upheaval, has been destructed by a series of foreign incursions and civil wars spanning from the 19th to early 20th centuries. (History)

After Mao’s death in the late of 1970s, Deng Xiaoping constitutes the Chinese Economic Reform. His policy intends to shift the nation from a centrally planned economy to a more market-based one. He aims to give opportunities to business owners and consumers to take decisions. Among the results of Xiaoping’s policy is the great transformation of GDP averages (gross domestic product), a remarkable reduce of poverty. Furthermore, it opens China up to the rest of the world. China makes important strides in diplomacy during Deng’s era. He brings a sea change across the country and his legacy manifested itself in Shenzhen
Zouaoui 22

(a powerful fishing centre in China today). (Graceffo 2)

In 2002, the president Zhang Jemin continues the Chinese economic reform when he lunches the going out strategy promote Chinese foreign investments. The reform focuses on in overseas investment to increase Chinese Direct Foreign Investment (CDFI). It expands financial channels with respect to the national market. Going Out strategy is also considered as the tenet of the Belt and Road initiative as China seeks to become the world economic power. (Graceffo 2)

1.3.1. The Announcement of the OBOR

China’s President Xi Jinping launched the “One Belt, One Road” initiative in October of 2013 while speaking at University in Kazakhstan. On March 28, 2015, the Chinese government issued an official document arranging the major principles and priorities for OBOR in the National Development and Reform Commission. The president Xi hopes to revitalise the ancient Silk Road by developing a 21st century Maritime Silk Road and an overland Silk Road Economic Belt through investing 8 trillions of dollars in railroads, highways, airport and seaports across Eurasia, Southeast Asia, and East Africa (Liu 2).

At the University of Astana, 2013 Xi declares:

To forge closer economic ties, deepen cooperation and expand space for development in the Eurasian region, we should take an innovative approach and join hands in building an ‘economic belt along the Silk Road’, We may start with work in individual areas and link them up over time to cover the whole region. (Clemente 9)

He hopes to link regions by building a massive infrastructure and create regional political cooperation.
1.3.2. The Needs for OBOR

Within the economic calculations, the OBOR is promoting the idea of internationalizing Renminbi (RMB)- China’s official currency. This idea is based on encouraging domestic financial institutions to expand their investments. As part of OBOR, two main financial institutions are established, Silk Road Fund (SRF) in 2014 followed by the Asian Infrastructure Investment Bank (AIIB) 2015. These institutions have a significant role in increasing contribution of the Chinese currency. OBOR promotes the process of speeding up the RMB internationalization (Liu 4).

From domestic perspective, the OBOR is led by two main internal issues. Most of the industrial zones exist along the coastal area and coexist with regions still depend on agriculture in which the majority of population lives in poverty. This diversity creates difficulties and sometimes conflicts. The Chinese government seeks to solve such issue by developing connectivity. This strategy facilitates exchanging services and allows farmers to integrate in industrial cities. The china's exports have always been much unbalanced with respect of the domestic demand. The OBOR project can help to solve the situation. The infrastructure in Asia and Africa can be seen as a stimulus for the sales of Chinese goods, and will contribute to the diminution of unsold stocks (Pu 5).

From a strategic perspective, China’s Belt and Road initiative has a diplomatic tone. China aims at expanding its sphere of influence in Asia and beyond. The strategy is based on cooperation and people communication. China intends to establish new global economy through its foreign policy and through establishing better economic and political relations (Clemente 62).
1.3.3 The Belt and Road's Six Corridors

China’s Belt and Road initiative currently consists of six overland corridors. First, China-Pakistan Economic Corridor (CPEC) links both of Pakistan and China. Its architecture is designed to prioritize the poor infrastructures of transportation and industrial zones. It comprises several plans that cost more than 62 billion $. This investment includes vast network of railways, optical fiber and oil pipelines. Another objective of CPEC corridor is to connect China to the Middle East. It is an important strategy for Chinese government to facilitate the access to Arabian seas and Oil-rich countries in the Gulf. According to Pakistani officials' prediction, the project will provide more than 700,000 jobs, thus a favorable growth of Pakistani GDP (BRI economic corridor).

First, Bangladesh-China-India-Myanmar Economic Corridor (BCIM) covers 1.65 million square kilometers and more than 440 millions of people in these nations. The BCIM’s nations aim to boost its total power capacity. Thus, it provides sufficient energy to eliminate the power shortages and to facilitate trade exchange in Myanmar to facilitate exchanges energy (BRI economic corridor 4). Third, China-Mongolia-Russia Economic Corridor (CMREC) is an attempt to expand spheres of cooperation along with this corridor as part of BRI development. It contributes in developing significantly railways in Mongolia, and renovates Russia’s Eurasia Land Bridge.

Fourth, China-Indochina Peninsula Economic Corridor (CICPEC) links Kunming, Singapore and all Southeast Asian countries. Fifth, China-Central Asia-West Asia Economic Corridor (CCWAEC) consists of six countries; Iran, Turkey, Uzbekistan, Turkmenistan, Kyrgyzstan and Tajikistan. It has two main ends: Iran and Persian Gulf. Therefore, it is considered as an important source of energy for the OBOR. The last corridor is the New
Eurasian Land Bridge Economic Corridor (NELB). It is considered as branch of the China-Central Asia-West Asia Economic Corridor. It link China’s western regions with Europe via Russian-Siberian railways. The land bridge mapped to modernize connectivity and to accelerate trade along these countries (BRI economic corridor 5)

In June 20th, 2017, China suggests Blue Economic Passages plan to strengthen maritime cooperation. The plan consists of three main corridors along 21st Century Maritime Silk Road. The China-Indian Ocean-Africa-Mediterranean Sea blue economic passage, The China-Oceania-South Pacific passage and Arctic Ocean passage which is not official passage encompass issues such as: marine environment protection, marine interconnectivity, maritime security and common oceanic governance (Mengjie, 6). Figure 2 illustrates the six corridors that form the major parts of the OBOR. (‘‘the belt and road initiative:six corridors spanning Asia, Europe and Africa’’, para,4)
The BRI consists of two financial institution initiatives: Asian Infrastructure Investment Bank (AIIB) and The Silk Road Fund (SRF). On October 2014, 50 Chinese state-owned companies have invested in nearly 1700 BRI projects since 2013. The AIIB boasts 57 founding signatory members include major world powers with the exception of the U.S (Williams 6). These members declare the foundation of the AIIB and the main goals to sustain the enhancing of regional networks and the economic integration. President Xi Jinping declares that China’s desire is to provide financial support for the realization of infrastructures in the developing countries in the ASEAN framework.

1.4. Geopolitical and Geo-economic Futures of OBOR

The OBOR can be viewed from economic, domestic, and strategic perspectives. Economically speaking, OBOR is a plan designed to deal with overcapacity issue and the necessity to export goods. The initiative is as a solution for this problem because it creates facilities and infrastructures that make trade easier, faster and wider. Infrastructures enhance connectivity and allow all of China’s provinces to participate in the implementation of OBOR mainly State-Owned Enterprises (SOEs). It is assumed that they are the main beneficiaries of the OBOR. As a result, GDP growth is accelerating not only in Chinese provinces, but also in regions all over the world (Liu, 3).

1.4.1. Geo-economic Strategies of OBOR

There were several Chinese strategies proposed to deal with both China’s economic and political challenges. Justin Yifu Lin proposed a global Marshall plan to deal with the impact of the global financial crisis [and] to generate sustainable economic growth(Pu 2).
Wang Jisi advocates a "Westward March strategy to deal with the US pivot to Asia as well as China’s domestic regional imbalance "(Pu 2). As an extension of both Yifu Lin and Wang Jisi strategies, the president Xi Pinging unveils the OBOR project. OBOR creates the largest platform of cooperation that reflects China’s economic development and diplomatic strategy under the slogan of modernizing the society and achieve prosperity.

The discourse surrounding OBOR has predominately focused on its nature whether it is an economic strategy or political strategy. In reality, the project is designed based on an economic key component with political factors. According to Blackwill, the economic power is used as geo-strategic tool for a state to gain international influence through cooperation and competition (Blackwill et al 20). Economically, the initiative is viewed as a massive structure that is designed to solve overcapacity and low consumption problem through connectivity and multilateral mechanisms. The massive infrastructure creates opportunities for the local government to participate in building more links between its provinces and its neighbors. This structure creates larger and wider spheres of exchanges and helps to find new markets abroad and expand its sphere of influence in the global economy.

Fung Business Intelligence Centre published a report about “the countries that will participate in the OBOR initiative account for 64.2% of the world’s population and 37.3% of the global GDP”(Clemente 46). Trade and foreign direct investment increasing rapidly, in its fifth year, the OBOR has dedicated over $100 billion for infrastructure projects such as $46 billion for power plants in Pakistan and funding for train lines connecting a Chinese owned port in Greece to Belgrade. According to reports from the Chinese government, trade between China and OBOR countries will pass $2.5 trillion within a decade. The Belt and Road initiative makes China the biggest trading partner for most countries along these routes:
Many countries along the routes have a tremendous demand for infrastructure, and some Chinese industries, such as high-speed railway, nuclear power, and construction engineering, are competitive and have the capacity for exports. (Pu 4).

Over the past decade, Beijing started to exercise its geo-economic power in dealing with some of its neighbors, in the future, the world should not be surprised if China uses it more often and more skillful.

1.4.2. The Geopolitical Position of OBOR

Geopolitics is the study of influence and territory on foreign policy which is the basis of the OBOR. China shows its willingness to integrate into the global, through expansionist strategy, starting with a set of domestic plans than go further with a series of international investments with its neighbors along central Asia and other continents. From a geopolitical point of view, The huge amount of investments reflect China’s shift towards more proactive foreign policy, especially when considering diplomatic initiatives with neighbors and existing projects. However, these investment lead to security problems and geopolitical competitions that pose some challenges for China in implementing OBOR in several countries.

As part of China’s strategy to secure its future position, China is buying nuclear energy firms in Europe and the United States as a leading nuclear technology giant. It is using OBOR to build oil stations, gas firms throughout South and Central Asia and even in the Middle East such as Saudi Arabia and strategic pipelines besides economic incentives. China could view this as critical to securing energy independence as the United States experiences a “shale revolution” and is exporting billions of cubic meters of natural gas to
China per year. To illustrate, one meditates the case of the Chinese investment in Iran: it is an OPEC member, a large producer of oil, and the most direct link between Central Asia and the Persian Gulf, making it geopolitically valuable. Furthermore, now one-third of Iran’s trade is with China and they recently held joint naval exercises.

The links between the maritime tensions and OBOR appear to be direct in the cases of Vietnam and the Philippines, these countries have strengthened their relationship with the US and Japan as a “hedging” or “balancing” strategy. Thus, South China Sea disputes have posed challenges for China in implementing OBOR. South China Sea disputes have existed for years, and their impact on OBOR could be indirect in some context. If these countries feel threatened by Beijing, they will increasingly see OBOR from a geopolitical perspective rather than from an economic point of view where the smaller states’ security concerns over the maritime disputes have discouraged them from embracing China’s economic initiative.

From a diplomatic point of view, the OBOR is a foreign policy for China to take leadership. Chinese analysts do acknowledge that OBOR could be viewed as China’s subtle response to America’s pivot to Asia. Washington has been seeking to rebalance toward Asia and away from the Middle East and Central Asia. Beijing is looking westward”(Pu115). The US has urged Beijing to shoulder more international responsibilities but when China started to expand its influence on the global especially after creating the (AIIB), the US has become more suspicious of China’s intentions. The US shows its anxiety in its debates about the OBOR as President Obama recently claims his refusal toward setting the world economy rules by China.(Pu 13).

OBOR is typically viewed as an economic development strategy for China with political calculations, the project has a great potential to transform China’s domestic and foreign
policy but it faces challenges in the future, as it is stated:

There are shared challenges, however, that unite all the actors involved in this geopolitical issue: international terrorism; the effects of climate change including on food production; competition for natural resources; chronic economic, social and political crises, due, in particular, to the rise of an illegal and opaque global economy; widespread political apathy; and, finally, digitization, which is leading to a radical change in how people work. Current international institutions and organizations no longer offer effective solutions. The old world order, an after-effect of the Second World War, is in decline, while a new world order has yet to take shape (Banik 4).

1.5. One Belt One Road as new trend of Globalization

Globalization process of the global interaction among people or governments worldwide describes the global interaction between people or government. Among its features are the widespread of goods, ideas, culture and services due to the advances in transportation and communication technology. The history traced chronological order of Five waves of globalization with different characteristics. The first wave goes back to the ancient silk road, in which travelers created a commercial bridge through which Chinese merchants could bring their goods to Middle East and Asia (Zhang et al 324).

The second wave refers to European-Led Colonial Expansion (1450–1950). The European colonial expansion shaped the world’s history through establishing colonies in America, Africa, India and even in coast of China. These colonies are considered as a source of wealth for the imperial community and supply for their domination in the world (Zhang et al 325).

The third wave is US-Led Modern Economic Growth or the Golden Age of
Capitalism (1945–1990s). After World War II, The US emerged as a superpower; many nation states gained independence; there was a large scale-modernization, at the educational level, technology and innovations, as well as transportation and connectivity. This wave shaped the global through interactions between organizations thus between nations.

The fourth wave is conceptualized as a global integration based on Internet, well developed technology and the digital divide. Friedman claims that the simple definition of globalization is the interweaving of markets, technology, information systems, and telecommunications systems in a way that is shrinking the world (Zhang et al 326).

The fifth wave of globalization is China-Led Global Collaboration (2013–present day). The president Xi Jinping announced the OBOR in 2013 which is considered as a means toward globalization. President Xi stressed on OBOR’s peaceful concepts such as amity, cooperation, mutual benefit and inclusiveness between Eurasian countries.

President Xi promised free trade through a wide network of connectivity, advanced communication technologies, and shared prosperity along a land-based the Silk Road Economic Belt (SREB), an ocean-going twenty-first Maritime Silk Road Initiative (MSRI, BRI by sea), and even air-based connection with the Americas (BRI by air). The rhetoric of facilitating trade movement across the continents appealed many countries to participating in the project. After four waves of globalization, the world is witnessing a new wave of globalization with Chinese characteristics. It has raised some questions about China’s true intentions. Nevertheless, China has been steadily moving forward with its large-scale infrastructure works since 2015, and at this point, the realization of the project has become inevitable.
1.5.1. Chinese's Model of Globalization

The president Xi Jinping declares that the Belt and Road Initiative is a project designed as a platform of free-trade and investment liberalization and “this literally means lifting barriers and expanding access to markets” (Szczudlik et al 3). Besides, he focused on certain cornerstone such multilateralism, openness to the world, and mutual development. According to Szczudlik it is a new wave of globalization characterized with economical dimension. Chinese globalization withdraw their principles such as liberal norms and emphasis on a peaceful concepts. The president named some of the weaknesses related to globalization such the unbalanced development and the exclusivity of the global governance system and he proposed as solution the new development model ‘’win-win model’’. 

There were several events carried out the theme of globalization with “Chinese characteristics” such as Chinese Davos -Chinese parliament- under the theme “the future of globalization and free trade”; Forum in Beijing in mid-May and in the G20 summit in Hamburg in July 2017. Furthermore, China emphasized that economic globalization means a new phase of industrialization. The BRI is a tool for the implementation of a Chinese-led globalization vision. It “serves China’s “hard” economic and political interests”. (Szczudlik et al 3)

1.5.2. Actions in the International level to Promote China-led Globalization

The Chinese government initiated efforts to exploit opportunities in the expanding local and international markets and to boost Chinese investments abroad. A symbolic moment was accession to the World Trade Organization (WTO) in 2001(PISM6) China aims to increase Chinese Direct Foreign Investment (FDI). After a decade in the WTO, China became an important exporter and later “the factory of the world” (Szczudlik et al 6) The
economic success achieved by stronger integration with the world became a base for China’s defense of globalization.

China started to expand its economic sphere through various actions such as partners 14 free-trade agreement (FTAs), and later on, China involved with the multilateral Regional Comprehensive Economic Partnership (RCEP) to create regional economic cooperation and as counterbalance to the formerly U.S led PPT. the RCEP allows China to promote a preferable trade rules. This approach assumes that deeper forms of integration involving, e.g., stronger protection of intellectual property rights, labor, could be too stringent for China. Also the Chinese government aims to strengthen trade under the framework of Free Trade Area of the Asia-Pacific (FTAAP) in the future (Szczudlik et al 6). Among the actions that encourage china-led globalization is China’s desire to take the leadership and present its possibility toward global issue not just the financial crisis but even the Climate change or environmental issues (which are included in the TPP), and create alliance for these issues.

China depends on the BRI project to strengthen the ties between different countries along the roads. The project present a Chinese architecture of well developed commercial routes (railways, ports, pipelines, air base and seaports); this infrastructure which support modernization through technological innovations shape Chinese-style trade, moreover, shape global regulations on trade with Chinese characteristics.

Conclusion

In the first Chapter, our attention moved towards an event that shakes the world’s order, the announcement of the “One Belt, One Road” initiative. In that occasion, he illustrated to the world for his intention, the Chinese government assert that the project is an attempt to revitalise the ancient silk road based on well developed infrastructure. The new
investments plan designed by the Chinese government to achieve the economic prosperity of the Asian continent. It involves different trade routes that will enhance the network of connections between Asia, Europe and Africa, by building roads, railways, harbours and other infrastructures.

The OBOR was issued as a geopolitical strategy to strengthen China’s foreign policy, however, China’s leader confirmed that the project is laying on economic approaches, as long as the idea of project is mainly trading and commerce. For the Chinese government, the initiative will have a double effect, improving the economic conditions of some poor provinces in the internal level of the country, and at the same time it expand support to the economic growth at the external level of its neighbors. China motivated to go further based on the OBOR’s main component, trade and transportation, thus the issue of overcapacity will be solved.

As a last element, this chapter includes project created a new wave of globalization. China intends to integrate its economy to the Global. This new wave of globalization is less imperialistic and more multilateral, less ideology driven and more pragmatic than those that came before. China’s project considered as similar initiative of Marshall plan, from economic point of view, the project that make America hegemony. In the next chapter the researcher will focus on the American reaction toward the OBOR, starting with an overview of the American globalization.
Chapter Two

The US Response toward the OROR
Chapter Two: The US Response toward the OROR

Introduction

2.1. American Hegemony

2.1.1 The Belt and Road Initiative Vs The Marshall Plan

2.2. American Reactions toward the Belt and Road

2.2.1 United States-China Trade War (2018)

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Conclusion
Introduction

The Republic of China is currently on the brink of becoming a world superpower; a title that was held recently by none other than the United States. It paves the way for cementing that status through an imperative principle of trade dominance. In order to achieve that, China has laid the ground for its most zealous and demanding project yet; the Belt and Road Initiative.

Although the rhetoric of facilitating trade movement across the continents has appealed to many of the countries participating in the project, it has raised some questions about China’s true intentions from others. Trump administration’s ample campaign against the Chinese initiative has been a suitable proof of Western – and some Eastern- countries suspicions about the project as they believe that it is just new form of colonization.

Nevertheless, China has been moving forward with its large-scale infrastructure works since 2015. At this point, the realization of the project has become inevitable. Predictions appear of a major showdown between the two current competing superpowers; the United States and China. China has managed to achieve the full capacity of the rail roads and maritime roads, and also extracted its predicted geopolitical interests in those countries. In spite of the fact that the United States may not be fully prepared to face the full awakening of the Eastern beast, the intentions shown by Trump’s administration are telling of its willingness to both contain and counter-dominate the Chinese power.

In this chapter, the researcher presents the response of the current Trump’s administration to China’s Belt and Road initiative; starting with understanding the nature of China-US relations since China’s OBOR initiative has been announced until nowadays. This chapter involves a survey of different opinions of American commentators about the China’s initiative that is divided between those who are against the backdrop of BRI and those who
are against the progressing Chinese footprint.

2.1. American Hegemony

After World War II, the decline of Soviet Union and the collapse of communism served the rise of American hegemony. America manifests its domination and validates its system of democracy and liberal internationalism in several aspects: economically, politically, military and even ideologically. America’s hegemony has been fulfilled by pushing European countries in the modern world ruled by liberal economy through tempting promises that serves its interests in favour of serving America’s hegemony (McCormik 1).

America was pushed toward hegemony to look for its oversea frontiers, and to get rid of the decline of industrial production profit crisis. In other hand, the western European countries pulled to opt America’s hegemony instead of military confrontation. The Marshall Plan was one among the policy programs that helped the United States to establish a longstanding trade partner and a global economic powerhouse of the second half of the 20th century.

America launched the Marshall plan to reconstruct the world economy. It is project that is designed to foster commerce between those countries and the US based on financial aids and remove trade barriers. In 2015, Financial Times described OBOR with wordings "Like the Marshall Plan, the new Silk Road initiative looks designed to use economic treats as a way to address other vulnerabilities"(Financial Times) Although both of the Belt and Road Initiative and the Marshall Plan were launched in particular time to support economic needs of each state regardless the repetitiveness of stressing on achieving prosperity and enhancing global economy, its main purposes still debatable.

2.1.1 The Belt and Road Initiative Vs The Marshall Plan

Speculations have been deemed about the economic and political motives behind the
China’s grand project. While some simply behold the initiative as an attempt to impose its domination on the Central of Asia, others consider it as a policy designed to seize important resources such as: oil and gas." Among all critiques, an interesting one is that OBOR is China’s Marshall Plan."

The Marshall Plan (1948-1951) known also as European Recovery Program was an American foreign aid program given to 16 Western European countries following the WWII, it estimated by $12-billion financial aid (about $120 billion in today’s value). The Marshall Plan is a strategy designed to prevent the spread of communism, poverty and disappointment resulting from the effect of both capitalism and fascism had swung Europe. Washington feared that as Europe slid into economic crisis, it would inevitably turn into communism and fall under the Soviet Union’s sphere of influence. If this happened, the world’s most powerful economy would lose an entire continent of trading partners (Ouyang 6).

The BRI has been labeled as “The Chinese Marshall Plan” for two reasons. From economic point of view, both of them ‘helped to alleviate domestic excess productive capacity.’(Ouyang, 8). China’s OBOR is an economic strategy that facilitates exports its good abroad due to the large system of routes. The government-funded plan establishes economic profit and allows for extensive investments, and a substance for national economic hegemony. In fact, it is destined to exceed the standards set up by the U.S’ Marshall Plan for Europe (Larmer). Second, from political point of view "they were designed to counter powerful political rivals and establish new international orders according to China’s the U.S.’s ideologies’ (Ouyang 8).

There were different interpretations of OBOR and The Marshall Plan comparison. Non Chinese sources are arguing that both of them serve to strengthen exports and counter
political rivals, whereas Chinese sources stress on the contrast between these two projects. They argue that both of them are a platform which “they stress that [they are] ideological considerations while the latter is a manifestation of the US's Cold War Mentality” and the construction of a sphere of influence (Ouyang 8).

At the global scale, BRI is compared with the merely European Marshall Plan while the capital involved is also incomparable in size’’ (Shen et al). On the surface, both of OBOR and Marshall Plan are interlocked political and economic agendas. Nevertheless, there are several similarities in the purposes of two grand development projects.

2.2. American Reactions toward the Belt and Road

China’s initiative for global takeover has been underestimated at large by the United States. However, during the previous few years, the U.S government has begun to realize the serious consequences that such endeavor can impose upon the established hegemony of the post WWII United States. As of recent, the U.S has been making effort to bolster its economic connection with Indo-Pacific countries and some Asia-Pacific (APAC) countries. On August 2018, the U.S Secretary of State Mike Pompeo has made a ministerial visit to Malaysia to lay down the principles of Trump administration’s Indo-Pacific, private-sector-led investment plan and also in order to send out a message targeting China’s investment strategy in the BRI; calling for an “open and transparent” strategy (Chen & Wang 123).

Malaysia has previously declined to participate in few of the Chinese infrastructure plans including a high speed rail link with Singapore, and is intending to re-negotiate a $14 billion investment in a railway project. These are predecessors to much more strengthened alliances with Asian Pacific countries and the United States, and will potentially present a step forward towards the U.S dominance in Southeast Asia, at the expense of the growing influence of China.(Sukumaran)
Despite having the advantage of China not having a formal ally among the Southeast Asian countries, the United States’ influence in the periphery is still diminished in comparison to that of China. In 2017, bilateral trade between China and countries of the Association of Southeast Asian Nations (ASEAN) has reached an impressive record of $514 billion, making China the ASEAN’s largest trading partner, while the U.S is only the fourth. Moreover, the recent set of debts imposed by the U.S government on China prompted 10 ASEAC countries and 6 countries (Including China) with whom ASEAC is economically affiliated with to propose a free trade agreement, labeled as Regional Comprehensive Economic Partnership (RCEP), not to mention China mega projects across the ASEAN countries. All of this makes the U.S’ investments in the Southeast Asian area futile in comparison to China’s expanding influence. (businessline)

2.2.1. United States-China Trade War (2018)

Throughout his political mandate before November 2016, Donald Trump, acknowledged China’s economy as a leading powerhouse. He states that the country has been “ripping” the U.S economy, and promises to tip the scales back in the U.S’ favor by principal weapons which are tip high taxes on China’s imports. After Trump’s win during the November 2016 elections, he maintains a neutral stance towards China-U.S trade throughout 2017 (Akan).

On March 22nd 2018, Trump announces sweeping tariffs (worth nearly $50 billion) on most of the Chinese imports. The Chinese government retaliates the following April by issuing 25% tariffs on 106 American goods, sparking a months-lasting tit-for-tat trade war that still threatens to create serious consequences in global trade. (Bradsher)

By October 30th 2018, the U.S tariffs levied exclusively for China are estimated to
worth $250 billion, while China’s counterpart of tariffs is reported to worth $110 billion. These numbers threaten to continue rising in case future talks between Chinese president Xi Jinping and U.S president Donald Trump are futile. Beyond its concrete results, the trade war signals a new epoch in the international trade domain.

This would be one of the very few times in which the United States’ economy is challenged head-on by a cross-continental power. While the ramifications are still in their early stages, an advantage for either one of the two camps is more likely to be gained by adopting a future multi-billion dollar plan that would secure the economic interests of either one of the powers over as many remaining countries as possible. Whereas the United States is still far from presenting any credible plan for advancing in its achievements, China has been planning for almost a decade to initiate its most ambitious project yet: The One Belt, One Road initiative, or The Silk Road Economic Belt, and the 21st Century Maritime Silk Road. (scmp)

2.3. The U.S.-China Relationship

For 40 years, the United States and China relations alternated between cooperation, negotiation and containment. The slogan of Trump America’s first, China last displays the hidden motives of US of impose its liberal democratic concept on China and benefit as much as possible from it. In other hand, China integrates within the global production peacefully through Go Out reforms to behold the status of superpower.

Despite the different system of government and the economic interests and even the cultural conditions, China and America remain in cohesive relationship based on diplomatic treaties. The US and China deemed as cooperating rivals in the beginning. (carnegieendowment).

The US-China relationship or what is called Sino-American have developed
dramatically since 18th century. When the western nations entered in lucrative trade with China and stared to exports Chinese tea and silk. Officially, US-China relations started after the Treaty of Wangxia in 1844 which is signed by the two countries. The relationship traced complex aspects over history, regarding the suspicions over each intentions.(office of the historian)

The People’s Republic of China Established by Mao Zedong in 1949 accompanied with The United States backup nationalists against invading Japanese forces during World War II. China and the US relations improved further when China joins the nuclear club in October 1964 when it conducts its first test of an atomic bomb. The test comes amid US-Sino tensions over the escalating conflict in Vietnam. By the time of the test, China has amassed troops along its border with Vietnam.(timeline)

A radical turning point in the US-China relationship was President Nixon's visit to China in 1972. The two countries become as friends instead of being against each other because of their government differences. This visit opens the door to enormous changes for both countries. The two nations developed bilateral cooperation in economy and improved interactions in trade, investment, and even social and cultural exchange.(office of the historian)

In 1980, the President Deng Xiaoping launched a series of economic and social reforms including opening up China to foreign investment. It meant to integrate China to global productivity and improve Chinese citizens’ life. At that time, it was Reagan administration term The Six Assurance policy was issued to Taiwan in order to improve Beijing-Washington relations at the height of US concerns over Soviet expansionism. The US government permits Beijing to make treaties to purchase US military equipments
Hostility and conflict didn’t stop on the Korean War and the Cold War. In 1989, it appears again in The Tiananmen Square event. It is the decline of mutual Sino-American relations. Thousands of students demonstrating in Tiananmen Square protesting for a number of different causes, including government freedom of speech and democracy. (Laury 11)

In 2006, the World Trade Organization claims that China is the second biggest trading partner after Canada by 2010. China becomes the world's second largest economy after the US and is expected to surpass the US by 2027 (timeline). These important changes raise competition between the two nations and sometimes create conflicts.

During Barak Obama’s mandate, the Sino-American remained largely cooperative through significant diplomatic events. The United State adopts new East strategy in which transfers its attention toward Asia.

In 2011, The US Secretary of State Hillary Clinton outlines a U.S. pivot to Asia and calls for heavy investment in economic and military to strengthen the ties and reinforces its domination in the regions. In The Sunny lands Summit the two leaders Barak Obama and the president Xi Jinping met in California 2013 to discuss several issues such Climate change, cyber security, and North Korea. The meeting meant as well a positive reflection of US and China’s relation (Timeline).

In 2013, the president Xi Jinping delivers a series of speeches on the rejuvenation of China. He launched OBOR initiative as breakthrough in the structure of economic development. The mega-investment and infrastructure program have the global attention. The event led US to question about the real intention of china through this project and led trade tension.
Throughout his political mandate before November 2016, Donald Trump acknowledges the One China Policy. He states that there is only one Chinese government in a call with Chinese President Xi Jinping. Trump breaks his commitment with the One China Policy through a call from president of Taiwan deemed as province of China. After Trump’s triumph in 2016 election. He maintains a neutral stance towards China-U.S trade. Throughout 2017 until 2018, Trump imposes and seep tariffs targeting various goods and China retaliates with similar acts of imposing tariff for American production entering in trade war (timeline).

2.3.1. Common Interests of the United States of America and China

The United States considers China as a rising power with a regional and global role. China also views the United States as the only super-power with complex worldwide interests. It also plays an important role for China. But for United States China's rise threatens its vital interests and national security. China feels the need to move towards a multi-polar world in which there is no American hegemony but a balance between the different forces (Zalmay et al xiii).

In fact, China plays an active independent role and it is the factor that governs its foreign relations, policies and national interests. This role is achieved in its diplomatic and cooperative consensual conduct with America in particular and the countries of the world in general in accordance with their interests. China's foreign policy seeks to expand and penetrate the production of consumer goods economically that compete with the great powers in order to achieve their economic interests, growth, stability, sovereignty and political prestige are universally recognized (Zalmay et al 1).

On the one hand, China's active role with the United States appears in its engagement
and cooperation against terrorism, drugs, money laundering and the reduction of weapons of mass destruction. On the other hand, China follows the role of mediator in its global orientations china's efforts at dialogue in the problem of the Cambodians and the two Koreas, and its laxity in the Security Council in the Gulf crisis. This is the basis of its endeavours to maintain international peace and security. (Park 3)

We note that the patterns of Sino-US foreign policy are the pattern of dependence, as the level of external participation of the two countries rises on all global issues. However, the participation of the United States remains broader and more effective in changing the direction of these issues, because of its political instruments and global expansion. In the same context, the two countries are focusing their external and foreign power on the European Union and Japan because of their strong influence on the global economy (Delisele).

The Chinese objectives behind its foreign policy are establishing a world-class or factory-oriented market, as well as achieving a high degree of profitable exports to the Chinese state. China works to exploit its strategic market to expand the strategy outward and aims to increase the GNP and to change its economic structures to devote its openness to the global economy.

The U.S. challenge China are in its political, economic and security interests in the Asian continent, especially as the region is rich in commercial investment. These investments are linked to the policy goal of working to transform China into a capitalist state, get a share of the Chinese consumer market, and expand Investments in order to exploit an environment that is affordable and efficient with cheap labour (Zalmay, 12).
2.3.2. China - US Controversial Relationship and Interests

China is one of world's largest developing countries. China needs a peaceful environment to develop itself while the United States is capable of waging major wars at the global level anywhere and anytime to maintain its interests no matter how turbulent and troubled the world situation. The Sino-US relations remained preserved. The status of peace and general development in China could be guaranteed, enabling it to move forward in the process of economic construction and political development (the diplomat).

Sino-US relations have an important strategic significance in the process of building updates in China. China is a country that is open and inclusive at the same time. China needs foreign markets, funds, technology, managerial competencies, sources of information and administrative experiments, the majority of which are from the United States, which is the most vital country in the world in technological development and strongest in terms of economic power (the diplomat).

The United States has deeply intervened in the Taiwan-China issue, so the status of Sino-US relations directly affects China's major interests in maintaining national unification and national security. It also outlines the means and methods that China will use to maintain national unity and national Security. For the same reason, the Chinese leadership, from Mao Zedong and passing through to Deng Xiaoping to the group, continued to be the central command of the third generation. The establishment, maintenance and development of Sino-US natural relations in the first place in its foreign policy, and addresses it as a strategic issue related to public interests (the diplomat).

As for the United States of America, its understanding of the Sino-US relations strategy and its importance, except that China is one of the five permanent members of the
UN Security Council, is based on the following principles: First, although the Chinese military force will not be able to rival U.S. military force from now to 15 to 20 years, it is one of the few possessor states of nuclear and missile technology. China has the capability to develop a nuclear power that threatens the United States; it also plays a significant role in maintaining the non-proliferation of Nuclear weapons and curbing the proliferation of technology and other areas (Zalmay et al XIV).

Second, as a developing country with a rapid pace of economic development, China plays an important role in solving global issues including the environment, drugs, smuggling, migration and energy. Third, China has a major influence in East Asia and has a common strategic interest with the United States in maintaining peace and stability in the East Asian region.

2.3.2. Areas of United States-China Relations

The two countries are summed up as independent and non-subordinate. This relationship is balanced by economic power, although the parties are not efficiency to each other. China needs the United States to support its economic growth; however, it is assumed that the economic balance is strengthened by the absence of confrontation at the military and political levels, so that China will seek to have a competitive advantage and a difference from the great power, including America, both with its global orientations based on the establishment of a new world order (Zalmay et al, XIV).

From the very beginning, China was keen to open its doors to the west, and its motives were always economic in nature, in contrast, the US was not less eager to open up to China, but its motives were of a largely geo-strategic nature. Therefore, the new relations
between the two countries aim at modernizing China's economic and technological infrastructure. United States was determined by the considerations of the east-West conflict which has been expanding in the last few years. Political and economic scientists have described the relationship between the United States and China as the most important in the 21st century, although the relationship between the two countries is a strategic partnership and there are researchers who believe they will be adversaries or future enemies (Ross et al, 2-3).

2.3.2. US - China Economic Relations

The American and the Chinese economies are the largest and fastest growing economies of the world to this day. Their relations have become so intertwined that they have been pushed towards a vicious circle of interdependence. China relies heavily on the United States through its open markets for cheap Chinese products; and at the same time the United States of America has a growing deficit in its budget and its huge national debt and has become dependent and in need of China. The latter has the largest balance of treasury bills Of America which is estimated at nearly 800 billion US dollars. (LakE)

The economic field is one of the most important axes of the relationship between the United States and China. Economic and trade relations are undergoing a stable development. The United States is China's first trading partner and according to some statistics, the U.S. goods and services trade with China totaled an estimated $737.1 billion in 2018. Exports were $179.3 billion; imports were $557.9 billion. The U.S. goods and services trade deficit with China was $378.6 billion in 2018. (Ustrgo)

The United States relies heavily on China for the administration of US Treasury bonds. China is the largest investor in these bonds. However, some controversial issues
between the two countries are related to China's monetary policies. The devaluation of the Chinese currency against the dollar, and China's protest against some protectionist economic policies against U.S. imports from China. (South China morning post)

The two countries follow a pragmatic approach based on realism and principles, focusing on mutual benefit and interests in managing the relationship among them. The United States of America is looking to China with concern. Washington's concerns are China's great economic growth and its increasing military strength. The gap between the two countries is dwindling at fast rates, posing a direct threat to the United States of America. (South China morning post)

The 1990s was the beginning of China's economic reform and its openness to foreign markets. There was no better or greater than the U.S. market to supply its goods. It started a strong business relationship between the two parties evolved to the extent that trade deficits in favor of China which was flooded the American markets with their cheap products. (South China morning post)

With a major trade surplus in favor of China, the price of its currency "yuan" is supposed to rise for its commercial investors. This will reduce the value of its incoming, and raises the value of its confiscated in the global market. The high price of the currency would be able to reduce the weight of the deficit. Contrary to all economic theories, China worked to reduce the value of its currency in order to increase its sales, its profits, and by issuing more yuan, and using it to buy US dollars. Moreover, the policy ensured that the American citizen continued to buy cheap products, while China was able to form a large reserve of US dollars in the form of Treasury bills. This would maintain continuing U.S debt, which in turn impacted on U.S. interest rates that fell considerably. (Academic)
China has $819 billion in foreign exchange acquisitions in 2005. The dollar reserves are growing at a rate of $15 billion per month. By the end of 2006, China is going beyond Japan, as the world's largest country with foreign reserves. The concentration of financial and economic resources in China has raised concerns from sectors of the ruling American elite that China is a trade bloc that undermines U.S. interests in the region (academic).

2.4. US-China Military Relations

China is now militarily working to focus on a number of priorities including: developed military air and naval capabilities, increasing its capabilities for observation and monitoring, advancing 852 rockets and modern weapons systems. In addition, China is seeking to develop its intercontinental ballistic missiles (ICBMs) and to add its own designs to Russian submarines and planes and to the launch systems of submarine nuclear missiles from anywhere in the Pacific Ocean. These priorities create great apprehension for America. The U.S. apprehension of these future Chinese capabilities is reflected in the three most important strategic reports in the United States on China. (Masto)

First, The U.S. national security strategy for the year 2006, the increase in the strength of the Chinese army and the expansion of China's trade are disturbing points calling on the United States to encourage China to make strategic choices for its people, while at the same time the United States is hedging all other possibilities.

The report says: "as long as the Chinese military force sleeps, the strategic tasks of that force will also change, and the American history itself knows very well that with the increased military strength of the nation, the ambitions grow. The report adds that, taking into account the ambiguous nature of China's military planning and government decision-making methods. Western analysts have to speculate about the trends that the growing Chinese military might take. If China opens its political system, the United States and other
regional powers could better define Beijing's long-term ambitions. But it seems that this is not possible at least soon, as secrecy, deception and surprise remain the core components of the Chinese strategy (zalmay xv).

Conclusion

The controversial relationship between US and China seems very competitive as both countries are competing more than ever. This is evidence of the two-state rivalry for domination of the world. China has witnessed a rise in its economic, military, human and technological levels. Despite the fact that this ascent is large and fast, it has faced a lot of difficulties and so this ascent has an American reaction as this ascent angered the United States of America that dominated the world as the single most powerful pole, and the reaction was America's attempts to contain this ascent in every possible way. Trump’s tariffs since 2017 were an inevitable response of America towards China’s development and to Prevent multi-polarity.

The Sino-American shapes a combination of conflict and cautious cooperation in which each one possessed means of power. The US is the only superpower in the world that wants to preserve its domination on the global order; China with its heavy demographic rates, economic, political and military weight working to reach the summit of the international system during the middle of this century even if U.S.-China relations range from conflict to cooperation.
Chapter Three

Futuristic Views and Criticism about the OBOR
Chapter Three: Futuristic Views and Criticism about the OBOR

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Introduction

China is promoting the Belt and Road Initiative as a project to solve many of the development problems. It is based on cooperation, openness, transparency, mutual benefit and respect. In reality, the initiative is an economic strategy through which China seeks to occupy the world's first place. It has also geopolitical objectives that work to increase the influence China. As result, china would create its own brand of globalization.

With Chinese international engagement in the world economy and politics, concerns have increased in many of regional and international powers including US, European Union, Japan and India. China has to solve problems with neighboring countries whose relation with China is painted with tensions. The Chinese controversial relations with these countries are a major threat to preserve the continuity of the OBOR.

3.1 International Reactions on the BRI

Several countries including Malaysia initially looked for loans offered by Beijing as semi-free funds. Later, it is proved that is very costly. The project seems to be financially and economically productive as it links the domestic production lines of the participant countries to the Chinese economy and tying their business futures to Chinese enterprises.

Throughout 2018, countries voiced their objections against China’s grand project. There are major economic uncertainties about the feasibility of Chinese enterprises. Especially as they hold others in unbearable financial burdens. China’s growing lending to some countries has led to the risk of debt payment difficulties, while some completed projects have not generated sufficient profit to cover its costs.
The Malaysian Prime Minister Mahathir Mohamad warned that this plan could present “a new form of colonialism”; he had also previously withdrawn two China-affiliated plans worth more than $3 billion from his administration’s program. (Chaudhary). In August 2018, he also revoked the East Coast Rail Link (ECRL) and the Trans-Sabah Gas Pipeline (TSGP) projects, which were part of China’s OBOR initiative, saying his country’s top priority was to minimize its debt and loans.

Another criticism to Chinese enterprises in Africa is that Chinese companies employ Chinese workers and employees rather than locals in many African countries. At the same time, it has contributed to the development of these countries. In Kenya, the government of President Uhuru Kenyatta is facing protests and strikes by fuel station operators, after imposing a 16% tax on fuel to pay for construction costs. Kenya's payments to Chinese banks are set to double three times in 2019. (Xiaoyang 109)

In Uganda and Zambia, questions have been raised wondering how Chinese loans are spent. They complain that there is no visibility in the volume of rising Chinese loans where politicians are behaving with little accountability. Protests rose in Uganda, where Chinese loans have risen to $3 billion and the government plans to borrow another $2.3 billion. The Ugandan government is pinning the newly discovered oil which is expected to start in 2020 for China in exchange for these loans. In the capital Kampala, according to a report published by Reuters newspaper in 2 November 2018, questions about the financing of a highway from the capital city of Kampala to the airport at a cost of 588 million dollars (Rosen).

The Americans are deeming that the Chinese projects are eroding the national sovereignty of countries. The US seeks to exploit the mass outrage about corruption in the Belt and Road countries in its favor. During the APEC summit, Washington highlighted the
attempt of Beijing to dominate the Asia-Pacific region. The US Vice President Mike Penny draws direct criticism of the Chinese initiative on the sidelines of the summit, explaining that "the countries of the region should not accept debts that endanger their sovereignty" (Time).

Penny also vows to launch a funding initiative with Western allies for a coordinated response to China's Belt and Road Initiative. By pledging $1.7 billion in co-financing for an electricity and Internet project in Papua New Guinea. (Tan)

The Director of the International Monetary Fund, Christine Lagarde, showed her fears of a possible increase in the debts of participating states in joint projects. Lagarde says that one of the challenges is to ensure that China's Belt and Road Initiative reached only where necessary, and she said "Fortunately, we know that the Chinese leadership is aware of these potential risks as well as proven strategies that can help address the challenges"(Vimeo 3:57). Lagarde added that the initiative could provide infrastructure financing in the most needed partner countries, But these countries should not considered it as "free lunch". (Magnier)

The Indian government has raised concerns over the Chinese-Pakistani BRI routes and their strategic location in relation to the India territory. The Indian government has expressed concerns over the China-Pakistan Economic Corridor (CPEC) being a tool to ensnare India into the heart of the commercial transactions occurring through these routes, especially after Pakistan’s Prime Minister Nawaz Sharif announces that he would like the rail routes to pass through Punjab and not through Khyber Pakhtunkhwa (Baruah 13).

Domestically, many Chinese see the Belt and Road as a waste of China's financial resources to finance huge projects in countries that may not be allied to China in the future. Amid the volatile geo-political climate and Washington's mounting pressure on world
countries under President Donald Trump and America's first policies and loyalty versus support. (Lanndsbarg)

Although the OBOR is generating a great deal of hype and a great deal of hostility as well. Most critics imply that it still raises questions over its viability. Despite the construction works officially resuming, the opposing countries involved including United States are relying on the spread a counter-agenda across the continents in the hopes of discrediting the Chinese trade ambitions.

Almost five years have passed since the launch of the initiative, and despite China's launch of the so-called "initiative Action Plan", yet, it still suffers from blurring on both their theoretical level and in their operational formulas. It is dominated by a more popular, propagandist and promotional character than a focus on substance and content. The official map has not yet been issued that outlining the countries through which the belt and road will pass, leaving the door open to states and organizations to join and participate in the time they deem fit (Ronald). It prompted some observers to consider that the consent of many states especially developing ones came only in order to please China and its leadership or in order to obtain some material support or build projects that China offers to those countries.

3.2. OBOR's Dept Trap Diplomacy

The opportunities offered by China's Belt and Road initiative to invest in infrastructure are attractive to countries around the world. However, they often come at a very high cost. It is essential that world leaders and observers at all levels understand the consequences of the partnership with Beijing. Many of these projects may exceed their estimated costs and require expensive maintenance, leaving the host countries burdened with debt.
The World Bank fund report reveals that China has granted financial loans to other countries, especially the developing nations, much higher than America's offer in this field. From 2014 to 2017, China's total loans to other countries reaches more than 394.6 billion dollars, while the total US loans during the same period amounted to 354.3 billion dollars.

Among the reasons why the superiority of China to receive financial benefits is that the repayment of these loans ranges between 10 and 15% in five years, While America's benefit on its loans to other countries amounts to more than 25%, This difference has encouraged various countries to go on borrowing from China instead of America in the last four years (navarro).

A pervading consensus among the European countries stipulates that China’s hidden agenda involves practicing debt-trap diplomacy over the poorer regions that agreed to participate in the BRI. This argument puts the idea that is not stranger that China resorting to this kind of tactic, as it had already embroiled Sri Lanka in a financial crisis in late 2017. The same is predicted to happen in Africa. China already setting sight on Djibouti as an important infrastructure sight and a potential military base, the country can be subjected to the same increasing loans as Sri Lanka (LSLDTP).

Although China promotes the Belt and Road Initiative as an economic development, the report notes that the host country obligations such as loss of control, opacity, indebtedness, dual-use capabilities, and corruption – often represent strategic assets for Beijing. Sri Lanka has granted China a deep sea port (port of Hambantota) for 99 years after failing to repay its debts to Beijing, however, Sri Lanka is still considered as a debtor of over $13 billion to China (B92).
Another example is the project that was held in Argentina. The Chinese government has funded and built a $50 million satellite and space mission control center in Patagonia. The report says that China has negotiated with the previous administration in a largely confidential manner. Local companies have been excluded from some aspects of the project. The deal grants China a lease for the land for 50 years without paying the rent. Since the construction began, the center has been managed by the Chinese army. (shareameric)

China’s resource sector engagement in Latin America is also accomplishing a series of non-resource related objective. With regard to one measure, the financial sustainability of the Ecuador's dam project presents a significance and lesson. The Chinese loan terms require from Ecuador that 80% of oil exports should be delivered for at least five years as loan repayments. The dam alone costs Ecuador $125 million per year as payment for interest of loan estimated by $1.7 billion from the China Export and Import Bank for the construction. Overall, Ecuador has contracted more than $20 billion in Chinese loans since 2010. Ecuador is looking for international assistance to repay or buy Chinese debts (Reuter). This is a recurring issue with Egypt, with Sissi signing a Sino-US $3 billion loan agreement to build towers in the administrative capital. A warning bell was given to poor countries, including Egypt, about the dangers of China’s acquisition of national projects to repay China’s heavily-supplied debts. (Altaghyee)

To schedule its debts, the Sudanese opposition has revealed that Khartoum has donated millions of acres of most fertile to the Beijing agricultural land for long years without interest. This explains Chinese President Xi Jinping’s announcement during his meeting with the ex-President Omar al-Bashir to provide new financial assistance to the
Sudanese Government. Khartoum’s demand for repayment of its debts of more than 10 billion dollars is urgently undone. (Altaghyee)

In the Maldives, whose debts to Beijing amounted to about 1.4 billion dollars, the latter leases one of the islands for 50 years, while the opposition says 15 others have been given to China (chaudhury) After Ibrahim Solh won the presidency in September, he reviews the agreements with the Chinese side, which he described as a project to "seize the territory of the State", and the Maldivian police opened investigations with former President Abdallah Yamin to interrogate him about deals he had concluded during his tenure, granting Chinese companies have contracts at exaggerated prices (kawase et al 12).

The Belt and Road Initiative involves loans that are vague, non-transparent and motivated by continued indebtedness. The report cites a better model in its examination of Port Vila Pier in Vanuatu, Developed by the Japan International Cooperation Agency, the Australian aid program and the Asian Development Bank. The majority of the loans allocated to the pier were less than 1% interest rates. It was not belt by local workers, the investors handed the reins to the government of Vanuatu. (kawase et al 15)

In addition, The United States is providing development assistance that does not leave countries burdened with debt. Moreover, the United States ' focus on free, fair and reciprocal trade leads to investments in business for billions of dollars. That benefits both the United States and partner countries. Vice President Penny said at the 2018 Asia-Pacific Economic Cooperation summit in Papua New Guinea, "We do not drown our partners in a sea of debt." "We do not press or compromise on your independence," he said (time, 00:39)

3.2 China’s Precautions for the Belt and Road Backlash

During his first speech on 15 May, 2019, Chinese President Xi Jinping refutes that the Belt and Road Initiative projects are a "debt trap. He stresses that they have brought effective
investments to the countries concerned, strengthened the local economy and improved the people's standard of living. He also pledges to bring benefits to the people through the "Belt and Road" initiative during his first speech on 15 May, 2019 to mark the fifth anniversary of the initiative.

The president Xi Jinping promised to drive global growth by strengthening the infrastructure, coherence, financial mechanisms and public policies needed to spur trade, especially between emerging and developing regions of the world. The comprehensive and strong cooperation within the framework of the "Belt and Road" initiative will bring benefits to the people of the participating countries, Jinping said. (Zang et al 12)

The Chinese Foreign ministry has stressed that none of the developing countries will fall into the debt trap just to cooperate with China: "On the contrary, cooperation with China raises the capabilities and levels of independent development of those countries and improves the lives of citizens," said Chinese Foreign Ministry spokesman Hua Chunying. (Reuter)

The series of disputes that have erupted in countries such as Pakistan, Sri Lanka, Laos, Malaysia, Montenegro and others are linked to debt sustainability, either because of the inability of countries to deal with China's bloated debts, or because of the unjustified price of some of the infrastructure projects financed by Beijing. (McDonald 94) Andrew Davenport, executive director of operations at the Advisory Group, says that the lack of linkage between the credit worthiness of a project or country and the size of China's loans have led to project delays, policy disturbances and allegations of irregularities in the contract awarding procedures. (McDonald 97)

The Chinese government said it was "tired" hearing US complaints about the belt program and the road to rebuilding the old Silk Road, after a bitter criticism from US
secretary of State Mike Pompeo. He made criticisms of China for promoting corrupt infrastructure deals in exchange for political influence and the use of debt trap diplomacy fuelled by bribery (Chen)

The initiative witnessed a major focus of Chinese President Xi Jinping's administration. It has been opposed in some countries because of concerns that its non-transparent financing that could lead to debts which states are unable to serve, and that it aims to strengthen Chinese influence more than development. China sought to allay those concerns at a summit held in Beijing last month, pledging to give sustainability to the program, not pollute the environment and follow international standards, especially with regard to religion. (Shen)

Foreign Ministry Geng Shuang said the United States have been making "irresponsible occusion" about the program, especially before the summit, when the criticisms were made. He said "but what was the result? One hundred and fifty companies, 92 global institutions and over 6,000 delegates from several countries attended the Belt Forum and the Second international cooperation road, including 50 delegates from the United States. He continued "I think the international community is taking actual steps to vote with confidence and support the Belt and Road Initiative, which is the best response to the U.S. statements and action”

3.2.1 Expected Results from the Implementation of Belt and Road Initiative

Building a "Belt and Road" is a massive plan that includes superstructure, international consensus, cooperation agreements, cooperation projects, and the system that supports the initiative. Over the past five years, the initiative has yielded preliminary results
thanks to the great support of the Chinese Government and the joint efforts of the international community.

The Chinese president has visited Central Asia, West Asia, Africa, Europe and America over the past five years, where the "Belt and Road" initiative has been at the top of his visit agenda (Kuo 45) Chinese academics, research institutions and companies have also been involved in pushing the "Belt and Road" initiative under the leadership of the Chinese government and central leadership.

Thanks to these efforts, more than 100 countries and international organizations have expressed support for the Belt and Road initiative, and China has signed more than 50 cooperation agreements with various Governments, as well as 70 cooperation agreements with international organizations. The United Nations General Assembly, the UN Security Council and the APEC organization have included the Belt and Road initiative on its resolutions and documents. All of this demonstrates the success of policy coordination under the Belt and Road Initiative (SIIS).

President Xi Jinping considers that if the Belt and Road are two wings that help Asia to climb and the interconnection of the infrastructure is the artery of these two wings. Over the past five years, China has signed more than 130 agreements in the fields of land, sea, air transport and mail with countries along the Belt and Road. The Chinese government has also made great efforts to push for the construction of six economic corridors and has achieved preliminary results as these economic corridors have gradually shown their potential. (Zang et al 12)

OBOR Promotes investment and removing trade barriers as in the old Silk Road, economic and trade cooperation is still at the top of the modern "Belt and road" construction
agenda. According to data released by the Chinese Ministry of Commerce in 2017, China's direct investment in countries along the belt and road reached 14.5 billion US dollars. (Huang 2)

Chinese companies have established more than 50 economic cooperation zones in more than 20 countries and regions, reaching an investment volume of 18.5 billion dollars. As a wide range of infrastructure projects have progressed, Chinese products and services have gained great popularity, and technologies, services and capital from countries along the line have also flowed into China to inject vitality into China's economic growth. (Hang)

Building financial cohesion in order to support the construction of the Belt and Road, the Chinese government is working with various countries and organizations to build financial cohesion and promote innovations in financial services to provide financial security for the construction of the Belt and Road. Among these efforts are the Asian Infrastructure Investment Bank, launched in 2016 with 57 countries, which has issued loans worth 1.73 billion dollars to support infrastructure construction in Pakistan, Bangladesh and other five countries (Zang et al 82). The Silk Road fund has invested $4 billion to support infrastructure and energy projects in Bangladesh, China, India, Myanmar, Russia and Central Asia.

In addition, The National Development Bank of China has supported more than 600 projects in countries along the belt and route worth $110 billion in cooperation for productive energy, infrastructure, financial cooperation and other fields (Bekele 34) The interdependence of people is one of the most important axes of the "Belt and Road" initiative put forward by Chinese President Xi Jinping, as it is a goal of the initiative as well as the popular foundation And social success. Over the past three years, China has stepped up its efforts to promote cultural exchange with countries along the "Belt and Road", for example,
China International Publishing Group; a leading Chinese institution in international Communication; has published the book *Xi Jinping on governance and administration* in multiple languages. It also organized various activities in the countries on the line, including photo galleries titled "Beautiful China", "Beautiful South Korea" and "beautiful China and Russia", which reflects China's image, disseminates Chinese culture and promotes mutual understanding among peoples. (Zang et al 85)

3.3 China’s OBOR’ Challenges and Risks

The Belt and Road initiative has received a broad response from the international community since it was launched and achieved fruitful initial results. Like any great project in human history, the initiative inevitably faces difficulties and challenges beyond what was encountered by the discoverer Zhang Qian and the sailor Cheng He.

The political situation in some countries along the "Belt and Road" is a major disturbance and change. Such challenges lie in, for instance, experiencing imbalances in economic development and difficulties in opening up the market, as well as ethnic and religious conflicts and different cultures, some countries have doubts or misunderstandings or perhaps a sense of hostility against China and its "Belt and Road" initiative. Further, there are theories of "Chinese threat", "Chinese environmental threat", "Chinese energy threat", and so on, and all these risks and challenges must be faced by China and the countries involved in the construction of the belt and the road. (Pu 13)

Through its initiative, China is seeking to create permanent and stable supply lines to meet its energy needs through a network of oil and gas pipelines as well as ensuring the flow of raw materials through a network of railways and Sea. It ensures also the preservation of markets for their goods. At the same time, they keep their markets immune to foreign imports; indoor, it also pushes its companies and provides them with support for foreign
investment while the investment doors in some sectors of China remain closed to FDI. Despite China's shining slogans on the joint construction of the initiative, mutual benefit, and others, the selfishness of China's economic and trade policy may be questioned and dissatisfied by many countries (Cheng 134).

In addition, the mechanism of Action of the initiative is based on multilateral cooperation between China and some regional organizations. However, it is based on bilateral cooperation between China and the countries participating in the initiative. This can lead to major contradictions in the construction of projects in some states that may jeopardize the national security of other participating States, threatening their future cohesion. (Pu 116)

China is seeking to develop some of its poor regions, such as Tibet and Xinjiang, which are important stations on the road to the initiative, through the construction and construction of major development projects. There is international apprehension that these projects will have catastrophic effects on the demographic balance and on the blurring of the cultural and religious identities of the populations of the troubled territories. (Pu 130)

There is no doubt that through this initiative, China seeks to fortify its geostrategic status, promote stability and build political confidence regionally with neighboring countries, and globally with major powers. so far, It has not succeeded in solving many of its problems, especially the border security, both terrestrial and marine with most neighboring countries. Some of these problems amount to crises and conflicts, as is the case with India by road or in the east and South China Sea.

In Pakistan, some of the investments will be located in the most insecure and politically fraught provinces. The Kashgar-Gwadar economic corridor linking China and
Pakistan passes through some of the world’s most vulnerable and conflict-ridden territory; as Pu stated:

China’s Xinjiang region, which contains some of China’s largest energy reserves and is crucial to OBOR, is also home to a restive Uighur population. The East Turkestan Islamic Movement, the Uighur militant group identified as being responsible for a series of attacks on Chinese territory, is very active in Pakistan, Afghanistan, and the Xinjiang region, and in recent years, Xinjiang has been the scene of serious outbreaks of violence. As Beijing is facing a rising terrorist threat in Xinjiang, Beijing is trying all means to stabilize that region. (Pu 23)

Another potential challenge related to the maritime route is the conflict between China and its neighboring countries in the Pacific and the Indian Ocean. Members of ASEAN are worried that China is trying to control areas in the regions, which makes these countries hesitate when it comes to join the initiative.

The Middle East is of great importance in this initiative, as one of the most important sources of energy for China and one of the important consumer markets for Chinese goods as well as for investments. Its strategic location is a bridge on the road to the initiative to reach its limits in Europe. But the Middle East and its state of crisis, conflict and instability remains a major challenge to the Chinese initiative as China is reluctant to play a political role in the region’s issues. (Pu 125)

Many EU countries fear that the initiative will increase the volume of Chinese exports to EU countries, which would result in the EU countries not being able to solve one of the biggest problems with China, which is to fix the imbalance in trade balance between China
and the EU countries. With the spread of international terrorism, piracy and organized crime, as well as conflicts, hotbeds of tension and instability in many countries and regions that are important joints for the initiative, such security threats will continue to pose a significant and serious challenge to the protection of oil and gas pipelines. Rail and liner, Chinese government will need a lot of investment to reduce it (Haiquan 132).

3.3. 2. OBOR's Ambitious Implications

In Europe, the Chinese government has benefited from the European Mediterranean ports for decades before, especially the Greek port of Piraeus. The BRI aims to extend the benefit of such pivotal port, by turning Piraeus into a Chinese hub that can consolidate its economic presence in Europe. Moreover, with the Greek economic crisis still unresolved, the Greek government will most likely find itself forced to privatize this port in particular for the benefit of the European creditors. If this case actually happens, those same European creditors, emphasizing on Belgium, which is the 2\textsuperscript{nd} largest creditor to Greece, will form some cross-continental connection with China that will allow the latter to take full advantage of the port.

Closing the gap between China and European countries can put a strain on the relationship between the EU countries and the United States. According to researcher Nicola Casarini, the EU’s internationalization of the Chinese currency, as a result of the exchange of assets, would present a challenge to the US dollar as the other dominant currency. It is evident that the EU will have to establish some considerable measures in order to even out the interests of both China and the United States in Europe. Beyond the economic implications, the construction of the railroads across the European countries would require in investment in establishing security along the borders. Most of the infrastructure work would
be done on the borderlines of countries, which are the same roads taken by refugees fleeing war-torn countries and conflict zones. If the Chinese government does not take the problem of unauthorized infiltration to the countries, it can pose a great threat to the security of the people and the stability of societies there.

In the Middle East; China’s willingness to connect to the countries of the Middle East can have a helpful effect to all parties involved. By building the China-Pakistan Economic Corridor (CPEC) and the China-Central-West-Asia Economic Corridor (CCWAEC), the Chinese-Gulf countries commercial trade will reach a new prosperous level, and will likely lead the Chinese trade markets and shipments to give up the Strait of Malacca in favor of the Persian Gulf as its main shipping channel. The Chinese government aims to take advantage of the oil imports that countries like Iraq, Qatar, UAE, and Saudi Arabia provide, and re-elevate the oil international prices anew, thus promoting the value of the Renminbi as a global trade’s new standard currency. (Lin 6)

OBOR is capitalizing on previous efforts to improve South Asian connectivity but the key motive is much bigger and more ambitious than these. China wants to consolidate its position at the centre of the global supply and manufacturing networks which will be the key to the global economy over the coming decades. Beijing understands that as China's economy matures and its income levels rise, the lower-wage industries which have fuelled China's growth. So far will migrate to less-developed countries where labour costs are lower.

3.4. The position of the Arab Countries on the Chinese Initiative

The meaning of the Great Middle East has evolved by China and considerably expanded over time. By 2016, the Middle East has become more important to China than ever. After being largely agnostic for many decades, the emergence of the Arab Spring in 2011 have only served to underscore Beijing’s stance. In Addition, the war in Iraq and the
Civil War in Syria have forced China to pay greater attention to its threat on economic interests including energy resources, transportation routes and even Chinese citizens in the region.

By the twenty-first century, the Chinese are beginning to see the Middle East as an extension of China’s border areas and their country’s periphery. It is much closer to home and more proximate to its Asia-Pacific neighborhood than at any time (Ehteshami et al 13). A number of Arab countries (give eg) have announced their desire to join the Belt and Road Initiative, especially the Gulf countries, which are searching for new resources by diversifying the economy after the oil price crisis.

UAE has been the First contributor to the Asian Infrastructure Investment Bank which is the financial arm of the project with a capital of more than $50 billion. The UAE is also seeking to activate the strategic partnership with China and persuade the military presence in the Gulf to protect international shipping lines in the light of statistics indicating that 60% of China's fuel comes from the Gulf. Gulf states consider China's presence in the Gulf militarily creates an international "defense basket" in the region that would stabilize the United States' role in the Gulf and the lack of trust between America and the Gulf countries, especially after the nuclear deal with Iran (lin,7).

Saudi Arabia signed with China last year 21 agreements and memoranda of understanding, valued at about $65 billion, covering many sectors, it announced its support and involvement in the project, and entered into a partnership with China in the field of infrastructure development. China is the kingdom's largest exporters and imports half of its oil needs from Saudi Arabia (Reuters).
Kuwait also announced that its participation in the project will be through the establishment of an international port in the north of the Arabian Gulf will make Kuwait a major station for the delivery of goods and goods from China and the Central Asian Republics to Europe and the countries of the Horn of Africa and vice versa, and will put its nine islands in the Gulf into exploitation to benefit from them in the project (Menaf).

Djibouti's geographical location gives it a comparative advantage in this initiative and will benefit from the Chinese project. It has had a large share of Chinese investment, especially as it is located on the map of major ports covered by the economic corridors of the new Chinese belt. Djibouti lies between the Bab al-Mandab Strait and the Suez Canal, making it the route from which 10% of world oil exports and 20% of the world's commercial exports pass (beltandroad). Since 2014, China has signed an agreement to invest 590 million dollars in the construction of a port in Djibouti and has strengthened its strategic presence there with the establishment of a military base (Oxfordbisnessgroup). The implementation of the section on the Arab region of the Belt and Road initiative will not be easy, especially in the face of the instability and insecurity in a number of countries in the Middle East, which pose the greatest challenges to the Chinese project. China is trying to attract Arab countries to its project by affirming that it is an extension and intersection with its domestic projects in development and economic revival, not an expansionist venture that it wants to dominate.(Lin 8)

3.4.1 The Silk Road and its Impact on The Palestinian Case

Historically, the leader Yasser Arafat has been able to forge friendly relations with the leaders of the People's Republic of China the founder Mao Zedong and President Xu Wai. The Chinese scientific institutes and universities have graduated many Palestinian students
who led the Palestinian struggle, they have benefited from the Chinese experience in many areas.

Despite the unlimited political support, China has provided to the Palestinian since the 1960s. unfortunately, this support is now confined to development matters such as China's donations to pave the streets of Gaza, its donation to the Ministry of Foreign Affairs Building and the construction of an alternative energy project in Palestinian areas as well To donate $8 million from the Chinese president during his visit to the Arab League (Burton) and China provided about 100 scholarships and about 500 courses.

President Mahmoud Abbas is continuing his consultations in China to discuss ways of economic, cultural and infrastructure connectivity between Palestine and China and the countries participating in the Belt and Road Initiative. n an interview with Xinhua, President Abu Mazen stressed the importance of the Belt and Road initiative proposed by China in 2013 with the aim of building a network of trade and infrastructure linking Asia, Europe and Africa along the old trade routes, "We highly value the initiative of President Xi Jinping for development, partnership and prosperity for all, and we in Palestine are part of this initiative," he said. (Maannews)

For his part, economist Dr. Nasr Abdel Karim described the important step in affirming the Palestinian political message to the world towards statehood and what this agreement can add to the economic benefits and vital strategy of the national economy by moving on the Silk Road linking Three continents. "The new Palestinian move will increase job opportunities and achieve the desired economic development," Abdel Karim said (Samhan).
China is one of the major countries that meant to be a pole of the international system in the near term, beside the size of the relations and interests of the Palestinian-Chinese mutual in development. It is possible to invest in achieving its objectives under Israeli intransigence, which explains the Palestinian orientation towards China during the period Coming (Burten 169).

The Palestinians spoke highly of this initiative and said that it is a sign of hope for a higher relationship between peoples and nations, but Palestine wants freedom and independence. First, to be a functioning state on the Silk Road and even the autonomous Silk Road is the one who will make the historical road possible. As it confirms its humanitarian goals, the Chinese have reviewed the initiative at length to show its importance, without losing sight of the Chinese position of principle in support of ways of a just solution to the Palestinian issue and enabling Palestine to be independent through a two-state solution.

**Conclusion**

Through the initiative, China sought to export and circulate its development model, but this model is still in its experimental framework. It is too early to judge whether it is indeed a successful model that can be generalized and emulated especially in the face of problems and crises. Both in terms of declining economic and financial performance, through the absence of social justice and the growing gap between the poor and the rich, to its destructive environmental impacts

Developing countries appear at first glance to this initiative as they will work on accelerating the pace of economic growth allowing it to develop the infrastructure that is in the need for it. In the light of the financial deficit, it must be cautious about To join the projects of this initiative in a manner that allows them to develop their economy without being in the Indebtedness and dependency of China.
China has sought to play a role abroad since the election of US President Donald Trump, by offering a trade agreement for a comprehensive regional economic partnership. As an alternative to the Trans-Pacific Partnership, which was abandoned by the United States of America, this project builds a network of intraregional trade linking Asia to Europe and Africa, enabling China to raise the volume of trade with the countries of the belt to $10 trillion during the first five years. In fact, China will gain geopolitical importance if the Silk Road is established. A lot of countries will benefit indirectly from the abundance of production and the most success Industrial and export of Chinese products to the countries of the world will be indirect income for all countries that are going through this way.
General conclusion
General conclusion

The major problem addressed in this dissertation is how the Belt and Road Initiative would allow China to have its own brand of globalization. Before summarizing the specific contribution, beneath are the main empirical findings emerged from this work.

Tensions are built around trade between the US and China since the inauguration of China’s Belt and Road Initiative in 2013. The project has challenged the global economy by captivating more than 100 countries and international organizations. During five years, the massive effects cover more than 40% of the global GDP, three quarter of the global energy and more than 60% of the world’s population.

The HSBC states that OBOR will generate roughly 300 billion to 500 billion of dollars in connected investments and well developed infrastructures. OBOR intensifies China's presence in the global stage as a major economic competitor power. After becoming the second larger economic polar, China has faced crucial speculations especially by the US whose economy has negatively influenced by the announcement of China's project.

China’s Belt and Road Initiative places China in the orbit of powerful countries. This justifies China political and economic control of the maritime routes in the region. It also makes China number one as trading partner. China has to be more sensitive towards its political interests. China creates a soft power by establishing BRI diplomacy through building infrastructure and strengthening connections markets and China’s foreign policy as well.
This study provides evidences that China's global project OBOR allows China to compete the U.S globalization. Through its strategy, China is seeking to redefine the existing international order and to adopt principles of a mutual benefit. Its win-win approach maintains China's interests without creating reactionary effects that would slow its engagement in the world global economy. Moreover, China spreads its own global narrative around by restructuring its global partnership.

This present study demonstrates that China’s Belt and Road Initiative has narrowed the economic gap between USA and China in the early stages of its implementation. China’s Belt and Road Initiative's positive results are obtained thanks to the infrastructure programs that create free trade and abroad markets. These markets link economically China to the world along with the ancient Silk Road where the emphasis is on the great number the projects which are implemented and the amount the financial investment. However, China’s Belt and Road initiative has evoked a number of widespread criticisms because of its huge loans and for causing disputes with other counties such as India. The quality of Chinese project that does not serve safety principles could lead China’s rejuvenation dream of a golden future to succumb into a dusty dream.
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الملخص

يعد طريق الحزام الواحد الصيني حجر الأساس للمشاريع الدولية التي تخلق جسرا تجاريا للمتبادلة والتكامل الإقليمي في المقام الأول بين الاقتصاديات الناشئة. يوفر OBOR طريق جديد للنمو الاقتصادي المستدام في الصين والتجارة عبر الحدود، على طول BRI، مع "الحزام الاقتصادي طريق الحرير "و" طريق الحرير البحري في القرن الحادي والعشرين" وتركز المبادرة على استعادة التوازن العالمي وتوسيع نطاق العلاقات الشاملة وذات الفائدة العالمية.

هذه الدراسة تبين بأن قوى العولمة أصبحت تتمحور حول دول الأوروسياوبية رغم أن خطاب تسهيل التجارة والتبادل التجاري عبره مختلف الفئات قد ناشد العديد من البلدان المشاركة في المشروع، لا أنه أثار بعض الاستياء حول نوايا الصين الحقيقية. وقد اعتبرت حملة الولايات المتحدة الواسعة ضد المبادرة الصينية دليلاً مناسباً على الشكوك حول المشروع كما اعتبرت شكلاً جديداً من أشكال الاحتباس. يوفر هذا البحث وجهة نظرية حول BRI بعد حجر الأساس للتنمية الإقليمية المستدامة كما يسلط الضوء على برامج ومشاريع BRI التي بُرِزت كسياسة داخلية وخارجية في إطار سياساتي من أجل نموذج تعاون شامل للجميع "مربح للجميع" ينتمي إلى التنمية المشتركة وعلى المجتمعات ذات المصالح المشتركة.

الكلمات المفتاحية: OBOR, العولمة, الولايات المتحدة, البناء التجاري, الاستثمارات التجارية, الصين