

## **ONE BELT ONE ROAD**

The 'One Belt, One Road' (OBOR) initiative is a foreign policy and economic strategy of China. The term derives from the overland 'Silk Road Economic Belt' and the '21st-Century Maritime Silk Road', concepts introduced by Xi Jinping in 2013 to break the bottleneck in Asian connectivity. These are the two major axes along which China proposes to economically link Europe to China through countries across Eurasia and the Indian Ocean. The OBOR initiative also links to Africa and Oceania.

It is also termed as The Belt and Road Initiative (BRI) or the New Silk Road. It is one of the most ambitious infrastructure projects ever conceived. It harkens back to the original Silk Road, which connected Europe to Asia centuries ago, enriching traders from the Atlantic to the Pacific. The Silk Road came into being during the westward expansion of China's Han Dynasty (206 BCE–220 CE), which forged trade networks throughout the Central Asian countries of Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, as well as modern-day India and Pakistan to the south. Those routes extended more than four thousand miles to Europe.

### **CHINESE INTEREST BEHIND OBOR**

1. OBOR is intended to make the Renminbi the main trading and investment currency in the countries involved. The expansion of Chinese banks into new OBOR markets to serve the globalisation of the Chinese economy is also being promoted.
2. The expansion of China-controlled telecommunications networks is an important aspect of OBOR. CITIC Telecom CPC recently acquired Linx Telecommunications, which services Russia, Kazakhstan and the 'Stan' region, the Baltic Sea and Eastern Europe. This will provide China with telecommunications services across much of its targeted 'Belt' region.
3. Mining and energy projects are also central to this endeavour, with China widely purchasing mines as well as generation and transmission projects across OBOR states. Chinese companies now own almost a quarter of

Kazakhstan's oil production, while over \$15 billion of oil, gas and uranium deals have recently been signed with Uzbekistan.

4. It spreads the risk by multiplying access routes, thus reducing China's vulnerabilities. It will enable China to diversify the routes by which it can secure the transport of Oil and gas and other essential goods needed to sustain China's economy. It enhances the country's energy and economic security and mitigates the risks attendant to transporting fuel and goods through unstable, unsecured or unfriendly channels like choke point of Strait of Malacca.
5. Developing pipelines to get oil and gas directly from Russia and Central Asia to power western China also reduces its reliance on the volatile Middle East.
6. China lives in a tough neighborhood, sharing a long contiguous land border with Russia and India and a common sea boundary with Japan. Therefore, it could possibly be seen as a strategy to circumvent any encirclement or containment that a hostile power in concert with other states may undertake to harm China's interests.
7. By linking the economies of Central Asia with western China, Beijing brings further development and stability to restive and relatively underdeveloped Xinjiang and Tibet and cuts off any potential support that Uygur dissident groups may seek from fellow Muslims in Central Asia. Hence, OBOR goes far beyond simply sharing economic prosperity, it has obvious political and security underpinnings.
8. The increasing presence, role and interest of China in maritime Southeast Asia, South Asia, and Central Asia is becoming a source of discomfort for, respectively, the United States, India and Russia, which have long dominated these regions.

#### **KEY FEATURES OF OBOR**

1. It envisages the building of six major economic cooperation corridors and several key maritime pivot points across Eurasia:

On land, the plan is to build a new Eurasian land bridge and develop the economic corridors of: China-Mongolia-Russia; China-Central Asia-West Asia; the

China-Indochina peninsula; China-Pakistan; and Bangladesh-China-India-Myanmar.

On the seas, the initiative will focus on jointly building smooth, secure and efficient transport routes connecting major sea ports along the belt and road.

2. The overland 'Belt' involves the creation of an economic and trade corridor extending from China's west through Central Asia, and finally to Europe. The first step is to further link Central Asian states to the Chinese economy, while the longer-distance initiatives include railway connections between China and Europe.
3. For the maritime 'Road', China's development of ports and hubs across the Indo-Pacific is a key aspect of the initiative. Purchase and construction of port facilities and associated economic zones in Australia, Malaysia, Indonesia, Bangladesh, Sri Lanka, Myanmar, Pakistan, Kenya, Tanzania, Oman and Djibouti are intended to provide China with maritime access and economic benefit across the Indian Ocean.
4. Foremost among the key projects which have been promoted as focal parts of the OBOR initiative are the China-Pakistan Economic Corridor which provides China's western provinces with access to the Indian Ocean through the Pakistani port of Gwadar, and the Bangladesh China India Myanmar Corridor, which will give Yunnan Province access to the Bay of Bengal.
5. China's policy banks are providing massive funds for Chinese enterprises to operate along these axes, while further funding will be provided through the Asian Infrastructure Investment Bank (AIIB), funded by countries globally. The AIIB was created precisely to service projects under OBOR.