



One Road One Belt Initiative

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1 Introduction

- It is a developmental strategy and framework, unveiled by Chinese leader Xi Jinping in September and October 2013 in announcements revealing the SREB (Silk Road Economic Belt) and MSR (Maritime Silk Road), respectively.
- The “belt and road” run through the continents of Asia, Europe and Africa.
- It focuses on connectivity and cooperation among countries primarily in Eurasia, which consists of two main components, the land-based SREB and oceangoing MSR and it is known as “One Belt One Road” (OBOR) in short.
- The “belt and road” would be serviced by a network of roads, high-speed railways, fibre-optic lines, transcontinental submarine optical cable projects, and satellite information passageways.



Three routes covered in the “Silk Road Economic Belt are:

- 1) From China via Central Asia and Russia to Europe;
- 2) From China to Central and Western Asia to Persian Gulf and Mediterranean Sea;
- 3) China to Southeast Asia, South Asia and Indian Ocean.

For the “21st Century Maritime Silk Road”, it will focus on two routes:

- 1) From Chinese coastal cities, via South China Sea to Indian Ocean, extending to Europe;
- 2) From Chinese coastal cities, via South China Sea to South Pacific.

2 Why OROB

- China’s vision envisages that the Silk Roads, once completed, would impact 4.4 billion people and, within a decade, generate trade above \$2.5 trillion.

According to its “Vision and Action”, the Chinese government plans to enhance cooperation in the following 5 areas.

- 1) Policy Communication: To establish intergovernmental communication mechanism to deepen common interest and promote trust and mutual consensus.

- 2) Connecting via infrastructure: To enhance connectivity along the routes, huge investments will be made on infrastructure like roads, railways, canals, ports, energy transfer networks and information and communication technology networks.
- 3) Facilitation of investment and trade: To facilitate investment and trade and remove barriers and to aim to establish free trade zones. This will also encourage Chinese companies to invest in infrastructure along the countries of the planned routes.
- 4) Financial support: Finance is one of the key elements of the project and this can be supported by the Asian Infrastructure Investment Bank (AIIB), New Development Bank (NDB) and the Silk Road Infrastructure Fund (SRIF), as well as the proposed Shanghai Cooperation Organization Development Fund. It will also promote the use of RMB (Renminbi) to issue bonds for raising funds for infrastructure.
- 5) People-to-people contact: In addition to economic and financial cooperation, the plan also foresees promoting cultural and educational exchange, tourism, prevention of disease and cooperation in technological research.
 - The strategy underlines China's push to take a bigger role in global affairs, and its need to export China's surplus production in areas such as steel manufacturing.
 - The initiative calls for the integration of the region into a cohesive economic area through building infrastructure, increasing cultural exchanges, and broadening trade.
 - Apart from this zone, which is largely analogous to the historical Silk Road, another area that is said to be included, in the extension of this 'belt', is South Asia and Southeast Asia.
 - Many of the countries that are part of this 'belt' are also members of the China-led Asian Infrastructure Investment Bank (AIIB).
 - The coverage area of the initiative is primarily Asia and Europe. However, Oceania is also included as well as East Africa.

3 OROB and India

- China extended an invitation to India to join Maritime Silk Route during the 17th round of border talks between the Special Representatives of the two countries in New Delhi.

3.1 China's argument as to why India should Join OROB

- Entity diplomacy: It suggests that the various regions must engage within and across regions to make the project a success
- 'revival of 'continentalism': It suggests that as the Eurasian landmass deepens linkages, 'Asia' emerges as the new economic growth engine of the world
- 'one economic continent': OBOR becomes a vehicle that promotes alignment of infrastructure, trade and economic strategies in the Eurasian region.
- India is already part of the initiative, as its own projects like Project Mausam and economic initiatives such as Make in India and Digital India complement and complete with OBOR.
- Indian participation in the Asian Infrastructure Investment Bank and joint ownership of the New Development Bank only reaffirm India's partnership in this Asian project for many in Beijing.
- Beijing has also been talking to Delhi about the so-called BCIM corridor to link the Yunnan province in South-western China with Myanmar, Bangladesh and eastern India.
- China is also extending its Tibet railway line from Lhasa to the Indian frontiers in the south. Beijing is urging Delhi to jointly develop a trans-Himalayan economic zone of cooperation with Nepal and Bhutan.

3.2 Concerns for India

- India needs to be careful how China progresses on this because many roads of the "belt" are inching towards India like the Pakistan economic corridor that connects Kashgar in Xinjiang with Karachi and Gwadar on the Arabian coast and will run across the mighty Karakoram and through Pakistan-occupied Kashmir.

- The perception, process and implementation do not inspire trust in OBOR as a participatory and collaborative venture. The unilateral ideation and declaration — and the simultaneous lack of transparency — further weaken any sincerity towards an Asian entity and economic unity.
- A formal nod to the project will serve as a de-facto legitimisation to Pakistan's rights on Pakistan-occupied Kashmir and Gilgit-Baltistan under the China-Pakistan Economic Corridor (CPEC) that is "closely related" to OBOR.
- Delhi's strategic community has long objected to China's road construction on land frontiers and port building in the Indian Ocean as "strategic encirclement".
- Besides economic integration, these initiatives are also meant to showcase Chinese military might to the larger world and how it plans to use these sensitive corridors for its military mobilization.

3.3 Opportunities and Challenges for India

- Fundamentally, New Delhi needs to decide for itself whether OBOR represents a threat or an opportunity.
- India needs to match ambition with commensurate augmentation of its capacities that allows it to be a net security provider in the Indian Ocean region.
- India can focus on developing last-mile connectivity in its own backyard linking to the OBOR — the slip roads to the highways and the side-tracks to the Iron Silk Roads.
- OBOR offers India another political opportunity. OBOR could potentially allow India a new track to its own attempt to integrate South Asia.
- The economic prosperity that the ancient Silk Route brought to the regions sitting on its path, could well be repeated in a much more impactful manner. The Indian government is progressive and looking to connect internally with initiatives such as Digital India, and it can marry gracefully with "Information Silk Route" where telecom connectivity between the countries through fiber, trunk line and under-sea cables is also a key component. This will expand the bandwidth capabilities for India significantly, without which offering e-Governance and delivering public services in an efficient manner will remain a pipe dream and a good marketing campaign.
- Success for India depends on how we efficiently use these channels to find and grow new export markets for our products and enable efficient trade routes.
- The benefits to India while participating in a globally challenging project such as OBOR are immense. For one, the technical know-how they will bring back could be used to develop or iron out issues facing domestic infrastructure sector or for envisioning projects that we never had audacity to pursue before. An increased trust between the countries involved will not only increase opportunities for extended trade across their respective industries, but sharing the know-how, co-operating in research & development and improving mutual security through co-operation in areas such as customs, are just a beginning of immense possibilities.
- Once all key players have undergone their own validation to become participants, these initiative led by the Chinese could augur well for the rising Asian century.

India can cooperate and compete with China on regional connectivity. But if we shy away it might lead to India's marginalisation from the unfolding geo-economic transformation in Asia and the Indo-Pacific.

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