

## **“March Westwards” and a New Look on China’s Grand Strategy**

**Abstract :** The New Silk Road Economic Belt among other newly-launched foreign policy initiatives illustrate China is broadening its strategic aperture and making more efforts in “look westwards” and “march westwards”, which is crucial in consolidating China’s status as the largest developing country and promoting South-South cooperation. For better understanding Beijing’s thrust on reviving the Silk Road and marching westwards, it needs to pay closer attention to the ongoing overhaul of China’s periphery diplomacy. “Marching westwards” is a strategic necessity for China’s involvement in great power dynamics, the improvement of its international environment and the strengthening of China’s development resilience. China also faces a number of daunting challenges in implementing this grand strategy, including seeking support from regional giants who are suspicious of China’s strategic intentions and addressing China’s own knowledge and capacity deficits in dealing with the governmental and non-governmental actors in the Central Asia, South Asia and Middle East.

**Minghao Zhao** is PhD candidate, School of International Studies, Peking University.

Under the new central leadership, China’s global diplomacy has been experiencing significant and subtle changes. Strengthening its ties with the developing world through various regional and global institutions is among top-priority diplomatic works. As many Chinese strategists noted, China should make efforts to reposition itself in the world politics geopolitically and geo-economically. “March Westwards” has become one of the most catchy and consequential foreign policy adjustments in recent years. <sup>1</sup>This article aims to explore the correlation between this important move and China’s grand strategy, the internal and external motivations and the challenges in policy implementation facing Beijing.

### **I. China’s Grand Strategy under the New Leadership**

China’s grand strategy is undergoing great changes under the new central leadership led by President Xi Jinping. In response to its internal development challenges and the evolving international geopolitical landscape, China seems quite determined to reshape its global posture in a bold and creative way. The New Silk Road Economic Belt among other newly-launched foreign policy initiatives illustrate Beijing is broadening its strategic aperture and making more efforts in “look westwards” and “march westwards”.

As other major powers in the world, Chinese foreign policy cannot be understood well unless the domestic politics are studied deeply and thoroughly. The third plenary session of the CPC’s 18th Central Committee ended in early November 2013, and a communiqué on pushing forward with a new comprehensive set of reforms was issued. China could be said to be experiencing another “Deng Xiaoping Moment”—Deng was the leader who changed modern China by launching landmark reforms and opening-up in late 1970s. An ambitious reform agenda was unveiled during the third plenary session. It will serve as an overarching blueprint for the country’s development in

the coming decades. The Chinese central leadership is determined to steer a future course by launching a new plan for reform and opening-up, which is very consequential for understanding China's new global diplomacy.<sup>2</sup>

Many observers think that this plenary session is as significant as the one held 35 years ago. In December 1978, Deng Xiaoping, one of the Party's revolutionary leaders and a survivor of Mao's Cultural Revolution, succeeded in convincing his senior comrades to support the reform and opening-up project which ushered in pivotal and historic changes for modern China. The country was on the verge of collapse due to the 10-year long Cultural Revolution, ideology-driven international isolation, and domestic political turmoil.

With the reform project, China has achieved remarkable success in developing its economy, lifting more than 600 million people out of poverty in 30 years. In 1977, China only accounted for 0.6 percent of global trade volume. Now, China is the largest single trading power, and it is the largest trading partner of more than 120 countries. China's GDP is over \$1.5tn more than the combined output of the other BRICS members. If China's economy continues to do well, its imports of goods will hit a value of \$10tn in the next five years. Based on research done by Chinese and US institutions, the capital outflows of China will be \$1-2tn in the decade to come. Additionally, China is seeking a global role for its own currency. The overseas loans extended by China Development Bank outstripped World Bank lending by \$10bn in 2008-2010.

However, for China, with remarkable success come formidable internal and external challenges -difficulties in keeping the economic boom alive, addressing increasing social inequality, upgrading the governance capacities and tackling complex issues as a rising power in world politics.<sup>3</sup>

What the Chinese new leadership finds disturbing is an unhappy reality that China and other countries have been suffering from various economic difficulties, falling currencies and social instability recently. Many western observers including Ruchir Sharma, the head of Emerging Markets and Global Macro at Morgan Stanley, began a viral campaign against what he termed, the broken BRICS. The international business club is seemingly shifting their investment interests from the BRICS countries to the NEXT 11, such as Mexico, Indonesia and Nigeria. For China, the rest of the emerging economies have been catching up and could end up as serious competitors.<sup>4</sup>

Indeed, China's future development is destined to brim with challenges, most of which will be domestic conundrums. For instance, as the Chinese public is gradually adopting a more developed lifestyle, the country is confronted with increasing challenges in energy security. Li Wei, the head of The Development Research Center of the State Council pointed out in February 2014 that if measures to crimp energy consumption are not taken, 75 percent of China's petroleum will depend on imports by 2030 and 800 million tons of oil will be depleted annually by then. Furthermore, statistics from the US Energy Information Administration show that China will surpass the US as the largest net oil importer by 2014.<sup>5</sup> While China is increasingly concerned about its energy security, US President Barack Obama declared with full confidence in 2014 State of the Union address that "the US is closer to energy independence than we've been in decades" due to the

augmenting of natural gas output and implementation of energy-saving measures.<sup>6</sup>

In addition, China has to address the challenges brought about by new technologies and economic structures to the employment and wage rate. The public has every reason to worry over whether their education and skills can satisfy the need of the knowledge-and-innovation-oriented economy, given the current 260 million migrant workers and around 300 million peasants that will likely flow into urban areas in the next two decades. A prohibitive unemployment rate in both urban and rural areas could be the main reason for political turmoil, so the Chinese leadership must make efforts to create jobs while pushing ahead economic reform. In the 21st century, national security is human security. A burgeoning middle class and consequent incremental demand for water, energy and food will become a critical knot for China to safeguard national security.

It is clear to see that the new plan for enhancing Chinese preparedness to confront a myriad of development challenges is actually a comprehensive reform package which aims to solve some structural and deep-seated problems, such as modernizing the financial system to unleash the private sector's productivity and creativity, changing household registration regulations to spur labour mobility, transforming the economic growth model, promoting green standards to enhance sustainability, and adopting a rule of law approach and tougher and binding anti-corruption measures. Most importantly, it was made crystal clear that the market will have a "decisive" role in China's economy by 2020, compared to the "basic" role used in the previous policy line. It is certainly a great leap forward in China's reform path. The communiqué also highlights that the party will promote national governance systems and governance capacity modernization. The emergence of such new policy concepts in the party's vital document is very significant.

In the central leadership's expectations, new domestic reforms in fields such as financial system, labor market, income distribution and political governance will help China to regain the economic momentum and sustain its modernization course. And they realized that one key element of these is to build up an economic system with upgraded opening-up and external cooperation. The government has to seek more space and opportunities for Chinese corporations and in the meantime ensure ever-expanding overseas economic presence which is conducive to national security goals.

However, China's new reforms will be unfolding in a new global economic and political setting which is not ideal for Beijing. A big question facing most of China's elites is how Beijing can cultivate and capitalize on the win-win/triple-win partnerships in its renewed reform drive in the light of its increasingly challenging security environment as China's national power has been rising. Implementing the new reforms and safeguarding its security environment should go hand in hand. A relatively stable and favorable external environment is necessary, and such logic can in part explain why China attaches more and more strategic importance to its new global diplomacy.

Indeed, China is located in the Eastern end of the Eurasian land graphically and traditionally it was viewed as a continental power. The central leadership has recognized their responsibilities to gain a maritime power position for China in next decades. The key is to strike a strategic balance in ensuring the prosperity of the coastal areas and accelerating the development of its vast

inner-land areas. China's grand strategy can be interpreted as an internal-external rebalancing. Such delicate and ambitious rebalancing entails two-fold efforts: One is a series of bold internal reforms to regain the economic momentum and upgrade its competitiveness, and another is to proactively enhance its international position as a global power and satisfy its national security need. The latter urgently requires building up an international coalition of the developing world/the Global South especially emerging powerful players like the BRICS countries in seeking better development, and reforming the global economic and security governance. In sum, China must think globally while it goes global.

## **II. Why "March Westwards"**

The Silk Road was a remarkable ancient commerce passage connecting China, Russia, Central Asia, West Asia and Europe. It is now to be resurrected, driven by ambitious development aspirations and plans of China and relevant countries that stand to gain. It was during his visit to Central Asia in September 2013 that the new Chinese President Xi Jinping proposed the Silk Road Economic Belt when he addressed Nazarbayev University in Kazakhstan. That trip lasted for 11 days, and it is a record long single trip for Chinese top leader to conduct overseas visits. "I can almost hear the ring of the camel bells and the wisps of smoke in the desert," said President Xi in a nostalgic remembrance of the old Silk Road. He called for closer regional cooperation and deepening mutual political trust to jointly revive the ancient trading route.<sup>7</sup>

Besides the Silk Road Economic Belt, during his visits to South Asian countries in May 2013 Chinese new premiere Li Keqiang also proposed important initiatives of the China-Pakistan Economic Corridor and the BCIM (Bangladesh-India-China-Myanmar) Economic Corridor, aiming to increasing connectivity among the relevant economies, promoting border trade and creating a bigger market and greater synergy for development. In May 2014, China hosted the 4<sup>th</sup> Conference on Interaction and Confidence-Building Measures in Asia Summit (CICA) in Shanghai and President Xi elaborated on China's views on how to build Asian security architecture, championing new Asian security concept and encouraging Asian nations to take lead in solving Asian affairs.<sup>8</sup> CICA is an international organization created by Kazakhstan in 1992 and most of its member countries are ones in West Asia, South Asia and the Middle East. Indeed, China has been boosting its ties with the westward neighboring countries in both of economic and security affairs.

What are the driving forces behind China's "March Westwards" efforts? First and foremost, this strategic move has its domestic motivation. In the early 1990s, the then Chinese leadership launched a "Go-West" campaign aiming to addressing the development disparity between the coastal areas and the vast inner lands. The wealthier provinces were asked to aid the poorer ones in the west by providing financial support, co-developing large-scale business projects and transferring advanced human resources.

For now, China is waking up to the huge potentials of its ties with the westward neighboring countries; it is high time for Beijing to add an international policy pillar for the "Go-West" drive which was previously regarded as a domestic endeavor. The Silk Road Economic Belt was

highlighted in the communiqué of the third plenum of the CPC's 18th Central Committee in early November 2013. A rapidly increasing number of Chinese corporations and sub-national governments are upbeat about the Silk Road economic belt initiative, keen on leveraging the golden opportunity to march west. It has been reported that a national-level strategy which includes more specific measures and plans, is in the making.

Secondly, "Marching westwards" is crucial in consolidating China's status as the largest developing country and promoting South-South cooperation.

Many Chinese strategists and senior policy-makers believe that Western countries are suspicious of China's rise and their attitudes towards China's new reforms may be ambiguous. As Derek Scissors, a leading expert on China's economy at the American Enterprise Institute (AEI), pointed out, another decade or two of true market reform could see China as a high-end competitor to the US, and a successful, reforming China will challenge US economic leadership far more intensely than the hints of challenge seen to date. Obviously, Washington will be not as supportive of Beijing's renewed drive as it was when China started its reform in the late 1970s given the fact that many American strategists now view China as the only potentially qualified rival.

Though China has been quite energetic in upgrading its relations with the US, the EU and other Western countries, it adopted a subtle and forward-looking approach in reassessing and repositioning itself in the global economy. As the 2012 World Trade Report notes, "South-South" trade between developing economies accounted for 24 percent of the world trade in 2011, up from 8 percent in 1990. In 2020, more than 80 percent of the world's population will live in the developing countries which are seeing an unprecedented rise of the middle class. Given the dominant role of developing economies in China's growth, and the huge potential of the global south, Beijing is conducting a quiet rebalancing towards the developing world. Meanwhile it still needs capital and advanced technology and know-how from the developed world. It seeks to position itself as "the state in the middle", taking advantage of what it has achieved and possessed, acting as a bridge among the developed and developing countries and maximizing the strategic space and resilience in response to the new changes in the international economic landscape.

Thirdly, for better understanding Beijing's thrust on reviving the Silk Road and marching westwards, it needs to pay closer attention to the ongoing overhaul of China's periphery diplomacy. In October 2013, President Xi Jinping presided over quite a high-level conference on China's relations with neighboring countries. All of its Politburo members as well as hundreds of senior leaders working on foreign, economic and military affairs attended this conference, and even a number of CEOs of Chinese state-owned enterprises joined the conference. The level and scale of such a conference focusing on China's periphery policy is unprecedented. President Xi emphasized new diplomatic principles in dealing with the neighboring countries—intimacy, honesty, benefaction and tolerance.

In order to ensure the long-term stability of its westward neighboring areas, Beijing has adopted a fundamentally new approach—investing in the "belt" more than the "road". The essence of new good-neighborhood policy is to achieve truly "win-win relations" and widen the common ground.

China looks ready to respond to the demands of those countries on creating jobs, bettering infrastructure, upgrading transportation, diversifying exports, enhancing economic competitiveness and financing local innovations.

Fourthly, China and other emerging powers as well as the Western countries are united in worries about the surge of political Islamism and profound changes to the strategic landscape in the Middle East and North Africa (MENA). The rise of the different in the MENA region evidenced by both endless domestic political turmoil and recent terrorist/extremists' attacks is a gathering threat. Local realities in the greater Middle East seemed to trump American ambitions of keeping hegemonic status in the region. As the "leading from behind" doctrine illustrated, the Obama administration was self-professedly determined to disengage with the troubles there, though it has to show the appetite for intervening in the Syrian crisis and brokering the Palestine-Israel peace talks.

Given its increasing energy and security dependence on this important region, what strategy China may adopt in dealing with the turbulence in the MENA region is the subject of the most interesting debate in policy circles in Beijing. People have no clue about what the endgame there will be, but the MENA region will certainly be very different from what it is like now. China needs to be more attentive in studying the dynamics in that region and make "creative involvements" to help resolve the hotspots issues, mitigate the tensions, stabilize the post-crisis countries and respond to those countries' "Look East" policy demands.<sup>9</sup>

### **III. The US Factor and China's "March Westwards"**

Many observers tend to look into China's "March Westwards" strategy from the perspective of China-US geopolitical interaction if not rivalry. Without doubt, the US factor has been among the most significant variables in defining Chinese foreign policy since 1949 when the People's Republic was founded. As Peking University Professor Wang Jisi, one of the most leading foreign policy experts in China, noted, "The logic of "March West" is rather simple and reflects the complex regional quagmire China is in. As Washington rebalances to Asia, the relation between the U.S. and China has become increasingly contentious and "zero-sum."<sup>10</sup>

To some extent, China's "March Westwards" can be viewed as a response to increasing geopolitical and geo-economic pressure from the US in recently years. Probably 2008 is a watershed year when Beijing's Olympic was held while the financial crisis and economic downturn in the West unfolded. Since then, Washington's global strategy has been in the most important transitional period since the September 11 attacks. Many US strategists contend that the biggest security threat of their country does not come from terrorism, but from traditional powers like China and Russia.<sup>11</sup>

The Obama administration focused on the endeavors to revitalize the hard and soft power of the US, consolidate the domestic power fundamentals and use "smart power" in dealing with foreign affairs.<sup>12</sup> In recently years, a more strategically restrained and confident Uncle Sam is coming back with relatively steady economic recovery, ambitious goals of restructuring the world trade

architecture by pushing for the Trans-Pacific Partnership agreement (TPP) and the Trans-Atlantic Trade and Investment Partnership agreement (TTIP) and its long awaited energy self-sufficiency. The US push for revitalization of these transatlantic alliances in geo-economics and geo-strategic terms may pose significant and multiple challenges to emerging powers like China.<sup>13</sup> For many Chinese analysts and policy planners, the TPP and the TTIP are regarded as the tools of economic containment aiming to hold down the rise of China. As Arvind Subramanian, an economist with the Peterson Institute points out, by lowering trade barriers in Asian and US markets, but only to countries in the TPP, Chinese firms are discriminated against and it is the imposition of this cost that merits the term “containment”.<sup>14</sup>

Moreover, the Obama administration’s rebalancing/pivot toward Asia has to be singled out as a cataclysmic strategic move in recent years and has strong implications for China-US relations. From the US perspective, the substance of such a ‘pivot’ makes perfect strategic sense. However, the US policy-makers seem to underestimate the insecurity of China generated by American rebalancing toward Beijing’s home region.<sup>15</sup> The US has a geopolitical advantage with a mild Canada and a Mexico that poses no threat as neighbors. In contrast, China has no such advantage and it is surrounded by old and new foes like Japan, Vietnam and India and many nuclear powers. There is another cause for Beijing to feel insecure. This country with strong national pride is promoting important and arduous domestic reforms. Nothing is more important than a stable neighboring environment, which is why China are increasingly staunch in safeguarding national security and seems to be more “assertive” in interacting with the US.

Although Daniel R. Russel, US Assistant Secretary of State for East Asian and Pacific Affairs, has underlined on many occasions that “the Asia rebalance is here to stay”, it is a hard fact that the Obama administration lacks adequate attention and policy resources to fully implement this strategy.<sup>16</sup> The “come home” pressure keeps growing among the US public and Congress. Department of State senior officials complained that because of budget slashing, the financial aid for Asia-Pacific countries between 2012 and 2013 declined by 19 percent compared with that between 2009 and 2010. The US national defense budget was cut by \$37 billion in 2013 and is projected to decline by 20 percent over the next decade based on the 2012 figure. In early March 2014, Katrina McFarland, US Assistant Secretary of Defense for Acquisition, stated that “Right now, the pivot is being looked at again, because candidly it cannot happen.”<sup>17</sup>

In an era of austerity, Washington is striving to seek opportunities for closer cooperation with capable allies and security partners in Asia to promote burden-sharing and burden-shifting. Military facilities, advanced weaponry technology and intelligence sharing as well as joint training have been major targets of collaboration. These measures are altering China’s perception of its own security environment in the Asia-Pacific and spurring its geopolitical responses.

In Beijing’s view, the Obama administration is trying to turn Tokyo into the most important guardian of regional safety in Asia. Foreign ministers and defense chiefs of the two allies agreed to revise the bilateral defense cooperation guideline by the end of 2014. When US President Obama visited Japan in April 2014, he expressed his support for Tokyo to exercise the right to collective self-defense and modify the “three principles” of arms export, which would prompt Japan to release its military strength.

However, it is a daunting challenge for Washington to navigate Asia's complexities in security engagements, given Japanese Prime Minister Shinzo Abe's unwillingness to alter his confrontational attitude toward neighboring countries such as China and South Korea.<sup>18</sup> The Japanese Abe administration is very determined to implement its emboldened national security agenda—modifying the pacifist constitution, pursuing a long-buried “collective-defense rights” and seeking to alter Japan’s official stance toward its wartime history in the World War II for the sake of revitalizing its national confidence.

Japan and the Philippines–US allies in the Asia-Pacific—are unwilling to continue to shelve their territorial disputes with China while Beijing’s responses have been blamed as “revisionist and provocative”. Admiral Jonathan Greenert, chief of naval operations of the US Navy, said in Manila in early 2013 that the US will support the Philippines in the event of conflict with China over disputed waters in the South China Sea. If the US abandons its “not choosing sides” policy line in these territorial disputes and decides to more explicitly back its allies’ claims, the probability of a China-US faceoff, even a limited armed conflict will soar.

In fact, the deployment of U.S. Marines to Darwin beginning from 2011, a location that can be viewed as a crossroads between the Indian and Pacific Oceans, indicated that the U.S. is adopting a new two-ocean strategic framework, replacing the Atlantic-Pacific one with the Indo-Pacific one. If Japan is the most capable ally in the Pacific to counterbalance China, India should become the “natural ally” of the US in the Indian Ocean to curb China’s ambition and influence.<sup>19</sup>

The US strategic guidance document released in January 2012 emphasized “the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia” and specifically highlighted that “the United States is also investing in a long-term strategic partnership with India to support its ability to serve as a regional economic anchor and provider of security in the broader Indian Ocean region,” echoing former Secretary of State Hillary Clinton’s encouragement of India not only to “Look East”, but also to “Go East”. In June 2012, U.S. then Defense Secretary Leon Panetta noted, “America is at a turning point. After a decade of war, we are developing a new defense strategy... In particular, we will expand our military partnerships and our presence in the arc extending from the Western Pacific and East Asia into the Indian Ocean region and South Asia. Defense cooperation with India is a linchpin in this strategy.”<sup>20</sup>

Indeed, US renewed and serious efforts to align with Japan, India and other powers in Indo-Pacific Asia to tilt the regional balance of power vis-à-vis China sound the alarm for Chinese policy-planners. Moreover, In the light of the US military withdrawal from Afghanistan in 2014, China could suffer from the spillover effects of Kabul’s weakness and disorder in Greater Central Asia. Not only terrorist and extremist forces but also cross-border organized crimes and drug trafficking in particular are likely to put the region in great danger. These are very much on China’s radar since Chinese bordering areas may not be immune to such turmoil. This adds urgencies to invest more Chinese foreign policy resources in securing its westward neighboring countries.<sup>21</sup>

Most observers hold that Afghanistan has achieved a lot in its reconstruction, but are still pessimistic about the nation's future. Since the US started the war in Afghanistan following the September 11 attacks, Washington has been playing a key role in shaping the destiny of the

country. But US-Afghanistan relations have been in tumult at the critical moment of the presidential election during early April 2014. Afghan President Hamid Karzai has aired increasing grievances against Washington and demonstrated his refusal to serve as one of its puppets. He publicly criticized the White House for intentionally setting up obstacles in the Afghan peace process. As Karzai declined to sign the bilateral security agreement mainly because of the “flirtation” between the US and the Taliban, US President Barack Obama expressed that he was considering a "zero option" that would see all US troops removed from Afghanistan by the end of 2014 even in the absence of a bilateral security agreement. This undoubtedly signals that the situation in Afghanistan will get bloodier. In December 2013, the Washington Post revealed a US national intelligence assessment which predicts that Afghanistan would likely descend into chaos and that the gains the US and its allies have made during the past three years are likely to have been significantly eroded by 2017.

Afghanistan serves as a hub connecting Central Asia, South Asia and West Asia. China's Xinjiang Uyghur Autonomous Region borders Afghanistan through the Wakhan Corridor. When the Taliban was in power, Al Qaeda set up training camps and provided arms equipment for terrorist and separatist groups from Xinjiang. Abdullah Mansour, head of the Turkestan Islamic Party entrenched at the borders of Afghanistan and Pakistan, has claimed that they planned to carry out more attacks in China. It is obvious that resurgence of terrorism and extremism will pose a direct threat to China's national security and stability in border areas after the US withdraws troops from Afghanistan. Furthermore, Beijing holds critical economic interests in Afghanistan. In particular, the China Metallurgical Group Corporation is now engaged in its project at the Aynak copper mine, and China National Petroleum Corporation in the Amu Darya program.

A deteriorating scenario in Afghanistan after 2014 will wield negative influence upon the implementation of China's ambitious plans including the China-Pakistan economic corridor and the "New Silk Road" economic belt. China has been devoted to more diplomatic efforts to help Afghanistan achieve political reconciliation and national reconstruction. Chinese President Xi Jinping has met with Karzai on many occasions, and Beijing is scheduled to hold the Fourth Foreign Ministerial Conference of the Istanbul Process in August 2014. Meanwhile, China is sparing no efforts to improve Afghanistan-Pakistan ties through its special friendship with the latter. In 2014, the fourth China-Afghanistan-Pakistan trilateral dialogue will be held in Beijing.

2014 is a vital year for Afghanistan's transformation. The US, Russia, Pakistan, Iran and other stakeholders have been investing more in the country in a bid to safeguard and expand their influence. In the light of the unfolding new “great game” in the heart of Asia, how China gives full play to a prudent and flexible role in post-2014 Afghanistan constitutes a prominent challenge in its diplomatic endeavor of marching westwards.

#### **IV. The Tasks Ahead**

“Marching westwards” is a strategic necessity for China’s involvement in great power dynamics unfolding in the Eurasian land, the improvement of its international environment and the strengthening of China’s development resilience. However, China also faces a number of daunting challenges in implementing this grand strategy, including seeking support from regional giants who are suspicious of China’s strategic intentions and addressing China’s own knowledge and

capacity deficits in dealing with the governmental and non-governmental actors in the Central Asia, South Asia and Middle East.

President Xi's trip to the Central Asian countries suggested Beijing seeks to move its ties with those countries most of which are resource-rich beyond the high profile and headline grabbing energy transactions and attract those countries to make joint efforts in building the Silk Road Economic Belt.<sup>22</sup> But such move would be very likely to deepen Russia's suspicion. Under President Putin's leadership, Moscow has been eager to dominant the regional integration with the guidance and geopolitical vision which is thought to be quite similar to the Soviet empire.

China's tremendous economic stakes in Central Asia and the expansion of its full-fledged influence have gradually drawn the attention of the international community including Russia. There are some misgivings about the trade and business frictions between China and the Central Asian countries. Some criticize that Chinese firms ignore environmental protections, lack respect for the rights and benefits of local workers and are even reluctant to hire locals. Others argue that the assistance provided by the Chinese government has failed to benefit the general public of those countries.

In order to safeguard its overseas economic interests, China will get more involved in security affairs in Central Asia. Beijing used to behave hesitantly or keep a low profile in this front in the past. But the investments there on pipelines, factories, roads and other infrastructure require China to engage security affairs more proactively. Beijing has to better its strategic communications with Moscow about its long-term intentions and find out ways to accommodate Russian national interests well. Moreover, China needs strengthen its consultation and cooperation with Kazakhstan---a very ambitious and savvy regional player.

As the Ukraine crisis and the deepening US-Japan alliance illustrated, both China and Russia feel heightened pressure in their immediate peripheries from US enhanced efforts to build up its alliance networks and make interventions in the troubled West Asia. And because of the North American energy revolution, the international energy market is likely to become a buyer's one, which facilitates energy deals and other strategic cooperation between China and Russia.

Dealing with India would become more intractable for Beijing in the decades to come. New Delhi is not only determined to be a dominant power in South Asia but also making efforts to enlarge its strategic space with the "Connect Central Asia policy" among other similar kinds of foreign policy initiatives. In particular, India works together with Uzbekistan and other relevant countries to build the North-South Transit Corridor (NSTC) and provides a vast number of aids for Afghanistan.<sup>23</sup>

The territorial disputes, trade surplus and China-Pakistan strategic partnership constitute the most troubled issues in China-India bilateral relations. The Western countries like the US and Japan seem to invest more in boosting their ties with India with the expectation that India---the most populous democracy in the world---could be a very powerful counterbalance vis-à-vis China geopolitically and geo-economically in future. Such "divide and rule" approach is understandable for the West to confront the pressure from the emerging powers.<sup>24</sup>

For China's new premier Li Keqiang, the choice of India for his first foreign trip in May 2013 meant to send out a signal that China was willing to enhance its relations with India when it is interested in marching westwards. Li made it clear to Indian leaders that "we are not a threat to each other, nor do we seek to contain each other". He pledged to open China's markets to Indian products for addressing the trade imbalance. The premier also sought to reassure India over the boundary issue and called on both sides to use their wisdom to find "a fair and mutually acceptable solution."

However, the Indian elites and public's growing wariness towards China is a big problem. A poll released by the Lowy Institute in Australia in June 2013 suggested that more than 80 per cent of Indians view China as a security threat, even though China has become India's largest trading partner. Moreover, 65 per cent agree that India should join with other countries to limit China's influence. A number of Indian strategists complain about Beijing's enlarging footprints in India's neighboring region like Chinese investment in Pakistan's port at Gwadar, though China views it as the entryway to the Arabian Sea which can mitigate the risks associated with the energy supply.<sup>25</sup>

Indeed, the maritime security concerns are integral to China's "marching westwards" move. For China, secure maritime navigation from Africa and the Middle East to East Asia is vital to energy and resource access. In light of its high dependence on the Indian Ocean sea lanes, China has legitimate rights to safeguard its geo-economic interests. Beijing has no intention of squeezing the presence and interests of India and the U.S. and contesting for primacy, and cannot afford to do so at any rate. It should not shy away from articulating its concerns over Indian Ocean security and needs to make its strategic interaction with India more purposeful and cooperative.<sup>26</sup>

Another area for cooperation between China and India is to stabilize the post-2014 Afghanistan. India worries about stability in its front yard; China is concerned about its economic investments and fears terrorism. Each has a considerable stake in keeping Afghanistan from becoming a failed state. The two powers have much more in common than not when it comes to ensuring the stability of Afghanistan.

Moreover, in light of Europe's deep-rooted interests in the Eurasian security and prosperity as well as its burgeoning "pivot" to Asia, it is in China-EU mutual interests to promote cross-continental trade. <sup>27</sup>Especially, the Central and Eastern Europe countries occupy the ends of the Silk Road Economic Belt and can play a key role given their status as a gateway to European inner lands.

In November 2013, Chinese Premier Li Keqiang on a recent visit to Romania attended a summit with leaders of 16 Central and Eastern European (CEE) countries. An unprecedented number of cooperation agreements on agriculture, transportation, power generation and finance were signed while more than 300 Chinese entrepreneurs and investors accompanied Premier Li during this visit. Stronger ties between China and the CEE countries could provide that crucial impetus to the sound and sustained development of that grand revival project, the Silk Road economic belt. In fact, in an article published in major media of the CEE countries before his visit, Premier Li made it clear that China is making more efforts in upgrading its westward opening-up while the CEE countries are moving to look East, and the two sides should seize the economic opportunities.<sup>28</sup>

Besides the above external tasks, the most serious challenges actually lie in China's domestic efforts. It should make more efforts in enhancing strategic planning and conducting high-quality research on how to define and implement its marching westwards strategy in a more detailed manner. Forward-looking thinking on traditional and non-traditional security challenges is very much urgent. Study on the synergy between the new orientation of Chinese diplomacy and its domestic development is also particularly needed.<sup>29</sup>

Proceeding with strategic transformation in China's marching westwards diplomacy, Beijing should adopt a new worldview in compliance with international development norms, a more appropriate positioning of itself in regional affairs, a more accurate definition of national interests, a more attractive expression of its values, a more effective allocation of resources, and a more balanced use of different policy means. Better policy coordination efforts among diverse governmental agencies are also essential for a successful grand diplomacy by China in marching westwards.

Last but not least, how to convert power resources into real power in its westward neighboring region is a huge test for the Chinese government. China has long been characterized by its remarkable economic growth and now it is high time to translate such power resources into extensive and enduring influence. In this course, civil power should be unleashed. China can learn from the US in empowering the public and the private sector to aid in the foreign policy goals. Chinese leaders are aware that the government is no longer omniscient and omnipotent. In confronting the challenges and risks in the course of marching westwards, it is now more urgent than ever for the government and the civilian power to synergize.<sup>30</sup>

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<sup>1</sup> 王缉思：《“西进”：中国地缘战略的再平衡》，《环球时报》2012年10月17日[Wang Jisi, “‘Marching Westwards’: The Rebalancing of China’s Geostrategy,” Global Times, 17 October 2012]; Emily Feng, “Marching West: Regional Integration in Central Asia,” The World Post, 13 January 2014.

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