

CHINA'S SILK ROAD – ONE-SIDED DEAL, OR A MUTUAL EXCHANGE?

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ABSTRACT

When China invited the states in Eurasia to promote the New Silk Road, it was not only one of the most spectacular meetings of modern times, but also the largest summit of authoritarian leaders. The West was cautious as it questioned the goal of this Chinese campaign and saw it as globalization according to Chinese rules. And though, the revival of the silk road can also be seen as an equilibrium against the American Transpacific Partnership (TPP) and their global influence. China wants (and is about to succeed) to play a major role in world geopolitics. And Europe despite its presumed character of a Union reacts, but fails to act itself and to deal with the flourishing economic power. Above all, “the West” had neglected to invest in an emerging market in China with constant intensity.

This paper reflects China's role for its Belt and Road Initiative and its development, and mirrors assumed results as well as other countries' considerations and concerns.

KEYWORDS: One Belt One Road, European Union, Trans Pacific Partnership, Asian Development Bank, Central Asia

INTRODUCTION

Demographic changes, scarce resources, digital transformation and technological upheavals are causing rapid social, societal and economic changes. Urbanization, mobility, sensor technology or end-to-end data connectivity are creating new business models and markets as well as the shift in global economic power. The convergence of industries requires interdisciplinary solutions and forces companies to re-position themselves outside of traditional industry boundaries.

The Silk Road was such an example of connecting continents and cultures, and thus the revived network is not only expanding railways, roads, pipelines as well as digital data transfer (Shen, 2018) across the Eurasian continent, but instead opens a new constellation of economic, cultural, and strategic and security exchange. Therefore, it is sometimes even more abstract: Knowledge (and education) – a valuable resource and the most important driver of innovation processes – is uneven, but distributed worldwide, like other resources. Thus, the term “economy” sometimes allows a definition like “Worldwide knowledge mining and knowledge transfers” (Austrian Federal Economic Chamber, 2017, 5).

The Western states are reluctant to China's initiative, whereas the People's Republic advertises the

apparently greatest project as a chance for everyone:

This mutual understanding in culture can promote trade development and consumption, which in turn will integrate development, providing a more solid foundation for the building of the Silk Road initiative. (CCTV, 2015)

In the end, as with every country, it is mainly about geopolitical and economic interests: The United States want to keep their dominant political influence in large parts of Europe, Latin America, the Pacific Region and in a part of the Middle East. In the recent years, the dynamics of the Chinese economy had had a global impact, and the repercussions have been on all economies in the world, an influence that was reserved before only for the United States (Antevski - Jelisavac Trošić, 2016, 125). Beside political influence and expanding the market, the international use of its currency Renminbi (RMB) through trade should be intensified (Kwan, 2018). That happens by capital convergence and currency integration, mainly (or initially) in the regions where the Silk Road passes through (including Southeast Asian countries) (Brugier, 2014).

China and the “Far West”

It is not the time and place to focus on the ancient history of the Silk Road despite everyone’s reference to it concerning its revival. On an international scale in the recent history, China retained its dominance on the world market especially in silk, even in higher amount in ceramics, and increasingly in tea. The country also remained self-sufficient with other textiles. The positive trade balance continued into the early 19th century. China had capital from both domestic and foreign sources. Though, the coal depots were too far away, so that despite increasing deforestation, the switch to coal was not yet economical. Transport on the canals and by coastal shipping stayed efficient and cheap. Labor costs remained low, which was attractive from an employer’s and investor’s perspective. However, their own demand for consumer goods was low at the time, not least as during the latter Ming dynasty a policy of isolation had started (Frank, 2016, 410).

China had mainly exported via the old (continental and maritime) Silk Road when they were exporting luxury goods to the West and received silver money in exchange. The British found a solution: India’s opium was imported into China and led to an economic fiasco that eventually led to the Opium wars. The West forced China to open their ports (Sui, 2018). Despite the humiliation, cities such as Shanghai, Hongkong, and Macao had been the gates where East and West kept their diplomatic and economic contact. After World War II and the civil war, when after a time of isolation, in 1978 under Deng Xiaoping, all of China started to offer its capacity for work, Western democracies have provided the money to satisfy their voters’ desires for cheap consumer goods. This multi-decade dynamic economic growth and the expansion of Chinese exports are the main reasons for large importance and influence that China has nowadays in the international level (Antevski - Jelisavac Trošić, 2016, 125).

Along with more exports, higher quality goods were imported from the West, though only until China produced them itself. Today, and in the long term, no power disposes and invests like China.

By Western investments in the recent decades and China's rather recent economic expansion, China owns accordingly plenty of foreign exchange reserves: The consequence is obvious: The People's Republic is conquering the (last) raw material reserves of the world and thereby collecting global power. There are also increasing (so far verbal) conflicts with the neighbors (most part of ASEAN) and the aggressively expanding USA (Bersick, 2016, 13). This is even more interesting, as there had been several negotiations for free global markets: The Trans Pacific Partnership (TPP) stood for an agreement concluded between twelve countries of the Asia-Pacific Region where mainly the USA intended to play a more active role in shaping the region's rules and norms (<https://ustr.gov/trade-agreements/free-trade-agreements/trans-pacific-partnership/tpp-full-text>), whereas the Transatlantic Trade and Investment Partnership (TTIP) – still in progress – is basically a free trade agreement (FTA) with the European Union. Trump, professed opponent of free world trade, advocate of protectionism and creator of America-First politics signed on 23.1.2017 a Presidential memorandum that led to the United States' retreat. By new negotiations the members are negotiating since 2018 the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This continuity of negotiation by the remaining signing countries can be seen as a response to multilateral trade negotiations paralysis and the challenges that represents China's rising (Zalazar, 2019, 73). China on the other hand is focusing on its own Pacific free trade agreement, the Regional Comprehensive Economic Partnership (RCEP), which is being negotiated between "ASEAN plus Six". ASEAN (Association of Southeast Asian Nations) became since 2009 another implementation of a common economic area modeled on the EU (Antevski - Jelisavac Trošić, 2016, 126-130).

Fact is, by worldwide expanding loans and aid, China came closer to being a financial power in the world market. Thus, companies are able to buy global corporations and strategic networks. To name a few examples around the continents: In 2009, the state-owned Chinese port management company Cosco paid the Greek government 5.6 billion USD to operate most of the port of Piraeus as a gateway to Europe, and parts of Spanish ports (Godement – Vassalier, 2017, 50). In 2007, the China group Chinalco bought a mountain in Peru for 3 billion USD, which is said to host two billion tons of copper (http://www.chinalco.com.pe/en/about_us). In 2008, the same group invested 13 billion USD in Australian bauxite (aluminum) deposits at Rio Tinto (Perry, 2008). In 2009 Sinopec (in 2012 the third largest company in the world) invested more than 7.2 billion USD in oil deposits in Nigeria (<https://www.developmentaid.org/#!/organizations/view/72294/sinopec-oil-gas-company-nigeria-ltd>). The new owners use the rules of private capitalism, but in many cases, they are only the extended arm of state power and its interests. All of this leads to inflation in market prices and distribution struggles, which may have warlike consequences later on. Over a hundred years ago, in the European industrial age, the race of the powers for raw materials ("place in the sun") had contributed

significantly to the First and Second World War. Though, wars generally – despite officially often under ideological or religious flags, are wars for land and finally their resources. According to Fink (2016), foreign goods were already in earliest times acquired either by trade or by war.

Before those two global conflicts, mainly among the European colonial powers, their economic patterns were aggressive: Africa had no comparable resource base and no capital inflow, a situation comparable in the Caribbean. Latin America had resources and labor, but suffered from the outflow of colonial and neo-colonial capital and specialization in the export of raw materials, while its domestic markets were dominated by European exports. West, Central and Southeast Asia increasingly became involuntary markets (if not colonies) of Europe and its industry, to where they sent the raw materials that they had previously processed for domestic consumption and for export. Only the “settler colonies” in North America, Australia, Argentina and South Africa found their place in the international division of labor, and China and Japan continued to offer significant resistance (Frank, 2016, 410-415).

Western Europe had difficulties in competing with Asia. In terms of textiles, the Europeans depended on India and China, which Europe re-exported to its colonies in Africa and the Americas at a profit, from where (silver) cash flow came. However, profits from plantations and slave trade declined, and so the competition had to be eliminated (politically and militarily, or by lowering one's own production costs (as by steam engine). Agricultural workers were withdrawn into industrial work, and the Napoleonic Wars, among other things, led to an increase of investment in new technologies, including transportation, and the incorporation of more and more workers into the “factory system”. Production increased rapidly, real wages and income increased, “the workshop of the world” conquered the foreign markets by “free trade”. But even then, British colonialism had to ban free trade to India and finally took refuge in exporting opium from India in order to gain access to China by force as referred to above (Biswas, 2019). In contrast to the West, China had and has an enormous trade surplus. So far, however, trading has been done at many periods via the slow but much cheaper sea route. Most of the shipments from Asia were carried out by the Suez Canal, the Indian Ocean and the Strait of Malacca. The latter one is mainly necessary for accessing Africa, the third of the markets along with Asia and Europe (Chang, 2018). By reviving the sea as well as the continental route, China is about to control over two third of the world market. The People’s Republic needs raw materials, and its foreign policy therefore can also be seen as a raw material security policy.

Central and South Asia

The business spirit of the Silk Road is waking up again and the momentum is coming again from the East, but not only from the Far East. The Central Asian countries no longer want to be pawns on the chessboard of the new “Great Game” that has started the desires of the global economy. The West is mainly focused on Chinese influence, but beside Russia, other East-Asian countries (South Korea,

Japan) have their eye on that region (Kuniko, 2008; Dadabaev, 2019). Europe and the USA, on the other hand, appears to have fallen behind in the struggle for strategic influence in Central Asia. Though, there are initiatives as well: In 1993 the TRACECA program (Transport Corridor Europe Caucasus Asia), created after a proposal by the then Georgian President Eduard Shevardnadze was launched under the aegis of the EU with the five Central Asian and the three Caucasian states, with five working groups: maritime transport, aviation, road and rail, transport security, and transport infrastructure (<http://www.traceca-org.org/en/home/>). The declared goal was to promote the economic independence of the new republics and – by reviving the traditional Silk Road as the backbone of transcontinental trade relations – to improve access to the European market. One billion euros from the EU and international development banks had been invested in transport infrastructure (Contessi, 2018, 770). Russia is extremely suspicious of these efforts. The Eurasian corridor sought by the EU runs outside of Russian territory. Oil and gas, transportation of industrial and commercial goods or the establishment of regional trade zones – the economic emancipation of the CIS countries from Russia is a thorn in the side of the former mother country. Along with TRACECA, the EU initiated the INOGATE (INterstate Oil and GAs Transportation to Europe) project, which aimed at the gas and oil pipelines of Central Asia (Franke, et.al., 2010, 163). Even if those projects are also funded by the European Union, their influence in those regions is not as strong as they assume and claim (<http://www.inogate.org/?lang=en>). Even beyond the Pacific, the United States' House of Representatives called for projects such as the Silk Road Strategy Act / “New Great Game” (Senate of the United States, 1999), based on the Carter Doctrine (Carter, 1980; Huang, 2003) as a direct response to the Soviet Union's military intervention in Afghanistan that never became ratified. Conflicts of interest in those regions with the United States became inevitable, could be observed in the beginning of this year.

For a long time, the Soviet Union barely played a role in global games. Russia brought itself into much “Greater Games” worldwide nowadays, beside conflicts in their former republics (Ukrainian, Georgia) even involving into outer conflicts as in Syria and Libya (the latter one fought by mercenaries, a generally revived form of war units). On an economic base the Russian-led Eurasian Economic Union (EEU) has been founded. The EEU is a Russian-led regional organization comprising a number of countries potentially crucial to the trans-Eurasian transportation infrastructure of the BRI (China-led Belt Road Initiative) (Libman, 2016, 42). Despite a Western concern about a reactivation of former Soviet times, some points must be considered: Due to objective geographic and economic conditions, the formation of regional associations of states is logical and legal. The integration processes between Russia and former surrounding states, are – despite recent history – linked by centuries-old historical, cultural, economic ties, developing on a natural basis. The Russian and Chinese systems of linking countries are fundamentally different in terms of their design and their goals, and though there are more and more negotiations for cooperation. Both of them developed and maintained the most significant influence across Central Asia, as Krasnopolsky (2019, 42) argues:

Russia continues to possess strong economic, cultural and historical ties to Central Asia and is still commonly viewed as the main security guarantor in the region. China managed to exert significant economic influence in each of the Central Asian states. Both have long land borders with the region, and both states have a vested interest in securing regional energy resources.

However, Western investment is a fraction of what China is putting into Eurasian connection today. After Chinese President Xi Jinping announced the revival of the Silk Road in Kazakhstan in 2013, the Chinese Central Bank (PBoC) activated a fund that provided 40 billion USD for the development of the New Silk Road. The establishment of a network of institutions for financing this common infrastructure, such as the Asian Infrastructure and Investment Bank (AIIB) (Congiu, 2015, 23), the Silk Road Infrastructure Fund (Antevski - Jelisavac Trošić, 2016, 132) and the New Development Bank of the BRICS (Lehmacher & Padilla-Taylor, 2015; Libman, 2016, 44), which will finance future projects, also compete with the International Monetary Fund and the World Bank, both of which are located in Washington. Despite Xi's preface at a later event that 'the ancient silk routes embody the spirit of peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit' (Xi, 2017), it is nowadays mainly a materialist vision. It is all about the necessary infrastructure: Specifically, the construction of roads, railway lines, airports and seaports is intended to revive trade routes that are thousands of years old. Some routes have a more recent date: For freight trains between China and Europe, China uses Northern Eurasian Railway Corridor, which is linked to the Trans-Siberian Railway (Antevski - Jelisavac Trošić, 2016, 133). The routes around the Taklamakan in Western China (southern and northern routes) are currently being expanded. Additionally, there are many large construction sites in the mountainous regions (Tianshan) in order to establish a faster connection to the west. The Chinese government and companies do not stop at the borders. In Kyrgyzstan, for example, the roads are being expanded by China, and reed mats against further expansion by the desert are being set in the deserts of Turkmenistan, as been observed by the author during his field trips in Central Asia. Central Asia and the Middle East are, outside of its own borders, the most important sources of China's energy supply. China National Petroleum Corporation - CNPC, the largest Chinese oil and natural gas producer and supplier, for example has become the largest buyer of natural gas from Turkmenistan instead of Gasprom (Antevski - Jelisavac Trošić, 2016, 135).

Those first steps are seen as the "breaking of the bottleneck" in intra-Asian connections as a legacy of the former Soviet Republic, where in part insurmountable (geo-)political boundaries can still be found (e.g. the borders set by Stalin in the fertile Ferghana valley – by tradition the initial point of the Silk Road during Han Emperor Wudi's reign 141 BCE for the desired horses located there – as bone of contention apple of discord between Uzbekistan and Kyrgyzstan). The Chinese strategy is suspicious in the eyes of some nations, such as India. India (as well as its opponent Pakistan) nevertheless participated in the Asian Development Bank and both were admitted as new members in June 2017

by the SCO (Krasnopolsky, 2019, 29). Western critical perception should always keep in mind that beside the political-religious-ethnic conflict between India and Pakistan, many other unsolved problems come from a one-sided exploitation as well: India, although labor was cheap and cotton, food, wage labor, production, trade, and transportation organizations remained efficient, suffered from political difficulties. Alternative energies were scarce and expensive (iron / steel and coal), thus little was invested in these alternatives. And mainly, the capital flowed from India to Great Britain. From 1816, India changed from a main exporter to a major importer of cotton (Frank, 2016, 410-415). This biggest democratic country is more reluctant, whereas Pakistan grabbed the chance and shared China's opinion and message along with other developing countries:

The One Belt One Road concept, in my view, is a very open-minded concept that has been introduced by the Chinese leadership. And, it shows the broadmindedness to share the hardened fruits of development of China with other developing countries. Pakistan being a developing country looks forward to benefitting from this initiative in a win-win situation. (Babar Amin, Daily Mail International, Pakistan, in CCTV, 2015)

Among the investments in infrastructure, both the Chinese and the respective countries should benefit greatly, not just in terms of literal roads, as mentioned above, but also following old paths as the Bolan Pass and Khyber Pass that have served as old migration route between South Asia and Central Asia (Khan, et.al., 2019, 3). The connections serve often as pipelines for Oil and Gas resources, for example through the China-Pakistan Economic Corridor (CPEC) (Islam – Askari, 2015). Part of the strategy is the connection of the port of Gwadar with the autonomous region of Xinjiang in the northwest of China (Krasnopolsky, 2019, 106). Part of the strategy is also financing a port and a gas pipeline between Iran and Pakistan, whose Iranian section is already completed. It is about to see, how much Western companies involve themselves for further cooperation with Iran. China and Russia keep well-developed economic cooperation with Iran despite sanctions (Antevski – Jelisavac Trošić, 2016, 135). At the end, all countries and companies should grow together to an integrated dynamic economic region. This at least is advertised: China's media emphasize the win-win motto and also assure the US that the Silk Road would not compete with Washington's strategy in Asia. However, in many of the 65 countries through which the new silk roads will run, Chinese entrepreneurs and engineers will build ports, airports, cars, railways, telecommunications and even nuclear power plants on a large scale, and consequently all of the missing infrastructure.

Global Factor

This raises the question as to what extent this new kind of global game affects society and values of the people in the respective countries. It is unclear as to what extent traditions and values will be conserved in the countries along the Silk Road in this increasingly globalized world. Ultimately, the mutual different influences of the ancient world should be compared with those of the modern ones.

There is the possibility China would institute a monopoly.

As in the past, it is all about raw materials and geostrategic interests. China's own resource-hungry economy is looking for secure connections to the Middle East (along with the North African countries, MENA) (Houlden & Zaamout, 2019) and access to Central Asian resources (Skinner, 2015). Moreover, China is trying to connect with the African (Broadman, 2007) and American continent as well, an interesting pattern comparing with former conditions. For a long time, especially Third World countries had only had second-rate Soviet technologies as an alternative to dependence on the West – at the price of ideological following. China's economic cooperation is emphasized to be free of ideology today, not without self-interest though. China has had a massive presence mainly in neighboring developing countries for a long time. Chinese cheap technology products are flooding the global market. The rising standard of living (around the world, but very intensely in China) multiplies the demand for raw materials. This also leads to water shortages, so China is already buying large agricultural areas to secure food production, and by the “upgrades” of infrastructure (and economic necessities) the exchange of money, resources and goods is getting faster and even more intense. When transport costs are concerned, a maritime transport is still without competition: Maritime container services to Europe (60 days) cost less than half than the transport overland (14 days). The large gap in costs should be narrowed, according to expectations, by making a return tour, from the West to the East, for the shipping of high-value goods, such as ICT products, luxury cars or expensive components (Antevski - Jelisavac Trošić, 2016, 131). Trucks race past cotton monocultures, donkey carts, yurts and camel herds. Flared gas makes the Sitan-countries' deserts blaze – less idyllic brand marks of the rapid progress. Ecological intentions are just ink on paper. Westerners' perception of the region is characterized by classic trade along deserts and oases, but the nomads imagined in the Silk Road context should have knowledge of IT or logistics in order to benefit from the new Silk Road.

Already in 1691 Dudley North observed, 'The entire world is only a single nation or a single nation in terms of trade, in which nations as individuals occur.' The world market and the associated cash flow enabled a division of labor within and between the sectors and regions and created a competition that spanned the whole globe and connected everyone: A remarkable feature of interregional trade in the world economy was the foreign trade and trade diaspora communities. They had played an important role in trade from the earliest times and continued to do so in the early modern period, as can be seen from the “overseas Chinese” who invest in their home country (Frank, 2016, 113). Those investments had been helpful for both sides. And though, in today's global world, as contradictory as this may sound, claims are suddenly being staked: The United States is increasingly trying to curb the growth of China's tech sector by using its emerging autonomy and dominance in cutting-edge technologies – such as AI, 5G, robotics, automation, Biotechnology, autonomous vehicles – see them as a threat to their economic and national security.

After the collapse of the Soviet Union, not least after the Afghanistan conflict, not only was the Cold War supposedly over, but according to the American political scientist Fukuyama “the end of history” had occurred. In his book with the same title, Fukuyama (1992) shows that liberal democracy prevailed against all other states and economic systems. Ironically, he invokes Hegel and Marx, according to whom history unfolds in struggles and reaches a final state. Now there is increased tension between the United States and its rivals – not just China, but also Russia, Iran, and North Korea. Thus, the story repeats itself contrary to Fukuyama’s “prognosis”. In addition, most of the conflict areas are located in these regions, and in addition to the political or ideological conflicts that still exist or are reappearing, the fight against the spread of terrorism is also increasing along with terror itself in these regions. One can say that the more and longer colonial powers exerted their influence on states or the United States wanted to exert influence, the more unstable they became and are.

With economic development and growing ambitions of China, the rivalry between the United States and China has grown, which is one of the factors that jeopardize unipolar position of the United States. Despite the fact that the United States is dominant in many areas, and has abundant of resources, its international position gradually deteriorates. There are opinions that the foreign policy of the United States had led to decline of international reputation. (Antevski - Jelisavac Trošić, 2016, 126).

China has now the chance to prove its own way solving those conflicts on terms of this new order along the Silk Road. Whether China is really connecting the world is a concern. The paper mainly focuses on the continental route, and though it has been mentioned in some parts, the maritime routes connect Asia with all other continents. Additionally, South- and Southeast Asia play a crucial role as part of the Silk Road, just sometimes implemented with another definition. China became the global player: It is represented by BRICS Development Bank at the global level, the New Silk Road Economic Belt at the Eurasian continent level, and the Shanghai Cooperation Organization, the China-India-Bangladesh-Myanmar economic corridor, and the China-Pakistan Economic Corridor at the regional level (Antevski - Jelisavac Trošić, 2016, 129), all related to the Belt and Road Initiative. There are also bilateral projects, as for example the transportation and energy infrastructure megaprojects in Laos. Those projects are often initiated by the Asian Development Bank (ADB) (Cheng-Hin Lim, 2015).

CONCLUSION

Many factors led to the transformation of the world economy in general, but to name a few: The demographically, economically and ecologically changing world suddenly made a number of interrelated investments appear economically rational and profitable: Investments in machines and processes that reduced the expenses and jobs in the production, and in the productivity of capital. This was initially concentrated in selected industrial, agricultural and service sectors in specific parts of the

world economy whose position made a successful competition of such newly industrializing economies (NIE) possible, both economically and politically. Until today this has not been uniformly distributed. The success in these measures led to the failure of a balanced global economy (Frank, 2016, 410-415).

China claims to share the wealth and progress with the world, something doubted by many. The Trump administration is now starting sanctions and punitive tariffs without realizing that it is harming itself. The projects, mainly the BRI (Belt Road Initiative) invested and financed by China are so far comparable to nothing, and not least it as a demonstration of power. The United States – despite all their activities in Central Asia, “fighting terrorism” and getting more access to resources in those regions, is not a significant player in the new “Great Game”. Additionally, Europe is becoming more and more an appendix of the Eurasian interaction.

The Silk Road is shrouded in legend and, at the same time, is moving closer into today’s world of global politics and the globalized economy. It is not only tourism which has been on the trail for a few years, that has increased the focus on this region: In addition to the “nostalgic” routes for those interested in culture and adventure, the Central Asian countries and the Chinese province of Xinjiang as the gate to its western neighbors play a major role in the expansion of the New Silk Road, being rather vulnerable by its developmental disparity and the growing Islamic radicalism in the neighboring states. In all these cases, the development and expansion of the infrastructure is funded in the form of an exchange of resources, moreover “development aid” in the poorer countries as well as the less developed poorer regions and provinces of the People’s Republic, with the hope of peaceful progress and the curbing of fundamentalism. All states are pursuing such a procedure, but China is now increasingly focused on economy and security in Central, South- and Southeast Asia as well as Africa.

In the current age, nothing can be observed or defined in an isolated way, as there is always interaction, and there is never only one player. For the time being, everyone involved is optimistic and sees only advantages in reviving the old Silk Road, which for the most part follows almost the same traces. Ultimately, the question arises to what extent, in addition to the closer Eurasian contacts, the open spirit can and will blow along the Silk Road again.

Not even crises as COVID-19 can stop China’s expansion, it apparently only became a new challenge – and not only the connection started to be activated again. There is a recovery above all in sectors that are classified as strategically important by the Chinese state and are being promoted accordingly – for example in connection with the Belt and Road Initiative. As with rail-bound competition, more and more trucks and freighters bring significantly more goods from China to Europe, which in the worst-case results in expensive empty runs in the opposite direction (Schlautmann, 2020). On one hand it is a cautious sign of hope for the global economy getting back to normality, on the other hand

the reactivation reveals the dependence on China in recent decades. The global financial crisis 2007-2008, in contrast made China reconsider to put its economic development in risk by relying on Western markets (Sárvári, 2017, 215).

Thus, a geostrategic conflict between the United States and China can be observed more than ever today: The Chinese-American decoupling of trade, technology, investments, data and financial arrangements will intensify. More countries will respond – according to Roubini (2020) – with an even more protectionist policy to protect domestic businesses and workers from global upheaval. The post-pandemic world will be characterized by stronger restrictions on free movement of goods, services, capital, labor, technology, data and information. And though, data will be due to governmental lack of this restriction even more monitor, influence and control people’s daily life. Economic progress can be achieved through joint measures to solve common tasks. Sustainable economic development, comprehensive modernization and an increase in competitiveness in the context of the global economy are sought. This can be achieved if everyone pulls together (on an equal footing). China is now gaining ground with enormous investments in modernization where the European colonial powers had previously withdrawn. The story repeats itself.

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