

Preface

Currently, the basis of the revival of world economy is still unsteady with the risks of economic downturn. The developed economies of USA, Europe, and Japan and the emerging market economies represented by China and India are both faced with the pressure to seek the momentum mechanism for economic growth to resuscitate or stabilize economy. From the perspective of maintaining economic growth rate, the divergence among the economies is quite salient. The impetus to promote the real economy through international trade and OFDI is quite insufficient. For both the developed economies and the developing economies, they are faced with the challenge to adjust the industrial structure and further economic reform to prevent the economy from declining. To a certain extent, this is both the “cause” brought by the globalization and also the “effect” of the globalization of economy.

Faced with the globalization, some are happy and some are worried. The globalization against the background of the entire world not only enables an unstoppable multipolar trend in the world, but also makes the Golden Age of sea right gone forever. As a matter of fact, this world has never lacked in the impetus to progress, and what the world lacks is only the new cooperation concepts and mechanisms to promote economic growth in different eras and at different stages of development.

Based on the understanding of the interdependency of the countries and the strategic reality that harmony brings mutual benefits while conflicts incur defeats for both in the background of globalization, the main powers have raised new economic development strategies in recent years, including the New Silk Road strategy of the USA, the New Partnership strategy of the EU, the Eurasia Alliance of Russia, and the Look East Policy of India. These strategies are all centered around the new cooperation concepts to seek cooperation mechanisms which will promote the sustainable economic development of each country and improve its regional or even global influence.

China is no exception. In the past 30 years, China’s economic growth rate of about 10 % not only benefits globalization, but also is the greatest contribution to the economic growth of the world. After 30 years of rapid development, the

Chinese economy will enter the stage of mid-to-high-speed development. Therefore, China also needs to seek new cooperation concepts and cooperation mechanisms to counteract the imbalanced regional development, environment pollution, and income disparity which are all huge pressure incurred by the “middle income trap.” In addition to the dilemma in domestic development, the external environment of China is also unprecedentedly complicated. It is not only faced with the challenges of the strategic competition between great powers, but also faced with the diplomatic pressure from the straddling tactics of the neighboring countries under the influence of the US factor. Under this circumstance, China is faced with the problem of how to make choices and what development strategies to choose to effectively counteract the challenges of domestic and external environment and how to proceed in spite of difficulty.

In early September, 2013, when President Xi Jinping was visiting Kazakhstan, he raised the initiative of building the “Silk Road Economic Belt” and further proposed the initiative of building the “21st-Century Maritime Silk Road,” while he was visiting Indonesia. The Belt and Road strategic vision has formed a new strategic pattern and new neighborhood diplomatic strategy framework and has been written into the *Decisions of the Central Committee of the Communist Party of China on the Major Issues of Comprehensive Promotion of the Reform* adopted at the Third Session of the Eighteenth Central Committee convened on November 12, 2013. This strategy will be comprehensively promoted from 2015. The key areas of cooperation will be infrastructure construction, with the focus on promoting trade liberalization and investment facilitation and the main goal of mutual benefits and common development. That is to say, we must cooperate with the countries in the greater neighborhood for infrastructure construction and promote the comprehensive opening up and cooperation pattern of the region in stages through the cooperation principles of “policy coordination, facilities connectivity, unimpeded trade, financial integration and people-to-people bonds.”

The history of the Maritime Silk Road proves that for the interaction among the coastal countries, the more open the economy is and the more inclusive the culture is, the faster the development is. In ancient times, the Maritime Silk Road has three main routes: One route starts from Chengdu, goes through the border in Tengchong, Yunnan Province, and enters the maritime trade routes of the Indian Ocean through Myanmar. The second route is the Maritime Silk Road which starts from the east coast of China and connects the littoral countries of the Indian Ocean to the west of the Strait of Malacca through Southeast Asia and reaches Arabia and the coastal countries of North Africa. The third route is the east sea route which starts from the east coast of China and faces Northeast Asia. Currently, the key of China’s construction of the 21st-Century Maritime Silk Road is the west sea route, i.e., the route which starts from the coastal ports of Southeast China, goes southwestward through South China Sea, the Strait of Malacca, Lombok, and Sunda Strait, and reaches the waters of Persian Gulf, the Red Sea, and the Gulf of Aden through the north of Indian Ocean. This route is based on ASEAN and its member countries, radiates South Asia, and extends to the Middle East, East Africa, and Europe. The vision of the 21st-Century Maritime Silk Road takes as its basis the economic and trade

cooperation; political and diplomatic cooperation as its premises and measures of promotion; and the promotion of cultural exchanges and the resolving of security risks as main goals, which will have profound and major strategic implications on furthering regional cooperation, promoting common security, and pushing forward the prosperity of Asia-Pacific.

In terms of value concept, the 21st-Maritime Silk Road strategy will uphold the cultural tradition passed down from the ancient Silk Road with its culture concept of “inclusiveness,” “balancing divergence and convergence,” the moral concept in the use of economic leverage, and the principle of “do not do unto others what you do not want others do onto you,” which will promote the integration and merge of different civilizations to avoid the dilemma in cooperation incurred by the clashes of cultures and the “cross-infection” of various negative factors.

In terms of cooperation mechanism, the 21st-Century Maritime Silk Road can be regarded as a progressive trial to form the integrated production network of Asia through the construction of connectivity. The cooperation will be conducted through the joint port infrastructure construction with the countries along the Maritime Silk Road, the promotion of the industry development and upgrading in the hinterland of the countries, the acceleration of the trade liberalization and investment facilitation among these countries, the promotion of the international specialization and cooperation of the intra-industry trade and inter-industry trade of Asia, the upgrading of the relative position of the participants in the global value chain, and the promotion of the in-depth integration of the regional and global supply chain, industrial chain, and value chain. Although the MSR is only a regional cooperation mechanism which emphasizes the common interest, security, and prosperity of the countries within the region, it also welcomes the participation of the countries outside of the region to share the bonus of the economic growth of the countries within the region of the MSR. Therefore, the MSR strategy is in fact emphasizing the “joint consultation, joint building, and joint sharing” of the participating countries on the basis of comprehensive opening up. It also emphasizes that the countries along the MSR should seize the opportunities in globalization, share the interest of globalization and maximize the countermeasures against the challenges of globalization and avoid the risks of globalization.

In terms of the prospects of cooperation, the regions of Asia, Europe, and Africa which are involved in the MSR have not only huge demand for infrastructure construction, but also enormous gap for funding. Statistic data have shown that the global infrastructure investment need will reach 57 trillion USD in 2030. Undoubtedly, with the acceleration of the globalization and regional economic integration, the infrastructure construction is faced with an unprecedented opportunity. The stimulation of investment need in infrastructure construction of the cross-regional and cross-national connectivity will become the lever to promote economic growth for the governments of all countries. Therefore, the initiative of China to establish the AIIB was well received by the countries within and outside of the region with the number of participating countries beyond expectation.

The infrastructure construction of the regions involved in the 21st-Century Maritime Silk will eventually promote the forming of an enormous investment and

trade system. The trade network will continuously extend from ports to hinterland and thus will not only include one or more sea routes, but also a maritime trade network. Therefore, the denotation of the 21st-Century Maritime Silk Road can be described as an open, diversified, and inclusive modern economic network system. Its “soft basis” is the multilayer and multiarea promotion of the economic cooperation framework focusing on trade and investment, as well as the strengthening of defense and maritime security cooperation to form a community of shared destiny to promote common security.

At the same time, the development of maritime trade has also become the mutual need of the countries to realize mutual benefits. It has become the consensus of people countries should share the responsibilities and jointly safeguard the maritime order and maritime security. Undoubtedly, the sea right development in the new era will be in the direction of mutual political trust, economic integration, and cultural inclusiveness. The core of the sea right concept in the globalization background is that no country can seek unipolar hegemony or provide security order only through sea power. Globalization represents economic integration and interdependency and also implies the fragility and competition of international relations. Globalization also implies that there are no permanent friends, only permanent interests. Globalization further implies that seeking survival through caution and exchanges will become the status quo of international relations.

Whether China raises the Belt and Road strategic vision or not, the economic link between the Indian Ocean and the West Pacific will be continuously deepened, which is an objective trend. At the same time, the scheming against each other, especially the strategic competition of great powers, will rise one after another. This is the consequence of Prisoners’ Dilemma resulted from maximizing one’s own interest. To effectively reduce or avoid conflicts through mutual cooperation is also the purpose of the leaders of China in raising the initiative of jointly building the 21st-Century Maritime Silk Road. The 21st-Century Maritime Silk Road has at least three strong features: The first is open cooperation. The second is inclusive growth. And the third is common security. This is also the inheritance of the Silk Road spirit passed down from the tradition of the ancient Silk Road. The construction of the Maritime Silk Road answers to the urgent needs of the neighboring countries in infrastructure construction. The construction of the MSR not only serves for the national interest of China, but also serves for expanding the common interest space of China and its neighboring countries to obtain momentum for sustainable development.

Wang Yi emphasizes that in the globalized world of today, the interests of different countries are increasingly merged, and although countries may have different culture, religion and political systems, cooperation and mutual benefits will be the greatest common divisor. To construct the new international relations of cooperation and mutual benefits, we must replace the obsolete practice of struggling on our own and abandon the old mentality of winner dominating the world.

Different from the great powers in history, China has walk on a new road of peaceful development. Now we would like to walk on a new road of cooperation and mutual benefits. Therefore, China has shifted its strategic goals from the East to

the West to effectively reduce its frictions and conflicts with the Western great powers and to prevent the great power tragedy of competing with the Western countries from happening. On the other hand, China must take the initiative to integrate into globalization to adapt to the rules of survival in globalization with more flexible and practical development strategy, i.e., the survival of the fittest. Only when we change ourselves, automatically adapt to the complicated and changing international environment, and progressively counteract the challenges of globalization, can we remain invincible in the fierce competition and walk to the world in the process of cooperation and sharing mutual benefits and risks.

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