

Impact of the U.S. “Indo-Pacific Strategy” and “Pivot to Asia” and China’s “Belt and Road Initiative” on Sino-US Political and Economic Relations

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Received: April 9, 2019

Accepted: April 30, 2019

Online Published: May 16, 2019

doi:10.5539/ibr.v12n6p11

URL: <https://doi.org/10.5539/ibr.v12n6p11>

Abstract

In response to China's rapid rise and its claim of broadening its "core interests", the U.S. launched the "Indo-Pacific Strategy" and "Pivot to Asia". Meanwhile, in order to avoid conflicts with the U.S. caused by advancing eastwards, China continues its steps of expanding westwards by proposing the cross-border and inter-continental "Belt and Road Initiative". To carry on this initiative smoothly and maintain economic stability and development, China has also proposed the new model of major power relations. This paper aims to explore the development and influence of political and economic relations between the two countries by analyzing the policies pursued by the U.S. and China.

Keywords: Indo-Pacific Strategy, Pivot to Asia, Belt and Road Initiative, The New Model of Major Power Relations

1. Introduction

The success of China's reform and opening-up has contributed to China's substantial economic growth and its overall national strength, and thus the rapid rise of China in the Asia-Pacific region has threatened the U.S. that starts to feel insecure. In response to this change, the U.S. government has proposed the "Indo-Pacific Strategy" and "Pivot to Asia" (Wang and Wu, 2016). Meanwhile, in order to avoid direct conflicts with the U.S., China continues its steps of expanding westwards by proposing the "Belt and Road Initiative" and the new model of major power relations, in the hope of coexisting and flourishing with the U.S. through its "peaceful rise". However, how the U.S. perceives and reacts is of great importance to the formation of the new model of major power relations and the smooth development of the "Belt and Road Initiative". This study discusses the major policies respectively pursued by China and the U.S. and analyzes their impact on the Sino-US political and economic relations.

2. Literature Review

Yang (2005) pointed out that the Theory of China Threat (Sheng, 1999; Broomfield, 2003) attributes the zero-sum game between China and Japan to their historical conflicts. In response to the peaceful rise of China, the U.S. should strengthen its alliance with Japan to curb the rise of China and retain the ability of the U.S. to maintain the balance of power in the Asia-Pacific region. The U.S. recently has proposed the concept of "Indo Pacific" that redefines the U.S. strategic outlook on Asia. That is, the U.S. intends to collaborate with Japan, India and Australia to safeguard the open trade model in the Indo-Pacific region. The continuation of "Pivot to Asia", the "Indo-Pacific Strategy" emphasizes the commercial interests of fair trade under the "America First" policy. As a result, ASEAN countries are required to reduce their trade surplus with the U.S. and pile up their investment and procurement in the U.S. Therefore, the "Indo-Pacific Strategy" is deemed as a countermeasure to China's "Belt and Road Initiative". Since 2010, government officials of the U.S., Japan, India and Australia have repeatedly referred to the concept of "Indo-Pacific", which is coined by Japan as the "integration of two oceans". The concept of "Indo-Pacific" has gradually been closely combined with the word "strategy", thereby resulting in the term of "Indo-Pacific Strategy" (Chen and Wei, 2015; Wang and Wu, 2016).

China's policy towards the U.S. has invariably been influenced by the U.S. policy toward China, and the Chinese response consequently is passive. Considering the dual objectives of national development and security, China still has to coexist with the U.S. pragmatically (Ge, 2001). Shao (2007) considered China's current westward development is more feasible, especially given that Central Asia is such an important hinterland as to catalyze the "Belt and Road Initiative". Most of the Central Asian countries are developing ones in desperate need of development where the U.S. exerts weak influence. Given the abundance of resources and energy in this area, Central Asia is the best target for China to resort to diplomatic means for its rising influence in neighboring countries. Bmariansi (2013) indicated that the Central Asian countries along the Silk Road Economic Belt of the Belt and Road Initiative, especially those with abundant hydrocarbon reserves and mineral deposits, have already become major destinations of the Chinese investment. The geographical proximity of these countries to China and their reliable land energy supply contribute to easing China's dependence on oil that is transported on maritime route. China also aims to stabilize Central Asia by promoting its economic development, including the stability of Xinjiang (China) that shares a long border with the Central Asian region that used to be reigned by the Soviet Union. Meanwhile, the "new model of major power relations" proposed for the first time by Xi Jinping in his visit to the U.S. in 2012 clarified the direction of the sustainable development of Sino-US relations. Hu Jintao, ex Chinese President, formally proposed in 2012 the concept of a new model of major power relation between China and the U.S. In November 2012, the report of the 18th National Congress of the Communist Party of China (CPC) clearly pointed out that China would improve and develop its diplomatic relations with other countries and broaden the fields of cooperation to address differences and promote a new model of major power relations featuring long stability and sound development. Since then the "new model of major power relations" has been important to China's diplomatic strategy (Wang, 2016).

3. Research and Analysis

3.1 *China's Rise (Theory of China Threat) and the U.S. Response ("Indo-Pacific Strategy" and "Pivot to Asia")*

The "reform and opening-up" initiated by the end of the 1970s prompted the rapid growth of the Chinese economy. In 2010, China's GDP surpassed Japan by USD 6 trillion becoming the second largest economy in the world, with significant growth of its overall national strength. In 1992, US Admiral Derwelt Lassen first proposed the "Theory of China Threat", which has rapidly emerged in the international community (Chu and Chang, 2010). The current "Theory of China Threat" has emerged since the end of the Cold War when the threat to the U.S. imposed by the Soviet Union, its major rival, vanished and China rises to become the major "potential rival" (Kwo et al., 2006). Despite the remarkable rivalry between China and the U.S. in international politics, the huge distance between two countries on both ends of Pacific almost eliminates the possible border disputes or military conflicts, especially when China is striving for economic boom and does not hope to see economic stagnation or slowdown. Given that social stability is crucial to a country's development, China naturally wants a stable environment to develop its economy (Men, 2016). In 1989, a political unrest broke out in China, resulting in the US-led sanctions on China since June. In response to such sanction, China has developed a foreign strategy of "peaceful rise" (Kwo et al., 2006; Zhao and Wang, 2014). In recent years, the influence of the U.S. on Asia has gradually weakened. The return of Hong Kong and Macao to China has boosted the national confidence of the Chinese people, while strengthening the recognition of the "Theory of China Threat" by more countries. At the same time, the U.S. has also realized the necessity of "pivot to Asia".

Xi Jinping delivered a speech in Kazakhstan in 2013 when he proposed building the "Silk Road Economic Belt" jointly. In the same year, Xi Jinping in Indonesia further proposed building the "21st Century Maritime Silk Road". The "Belt and Road Initiative" marks China's counterattack to the U.S. "Pivot to Asia" and has been proactively launched. On May 14, 2017, the "Belt and Road Forum for International Cooperation" was held in Beijing attended by 1,500 major political figures from more than 130 countries, including 29 foreign heads of state. During the forum Xi Jinping announced that China would add an investment of RMB 100 billion in the Silk Road Fund founded in December 2014 with USD 40 billion, making the fund close to RMB 400 billion (Tsao, 2018). According to Tsao (2018), there are three explanations for the Belt and Road Initiative in American academic circles: (1) The Belt and Road Initiative is China's response to the U.S. strategy of "Asia-Pacific rebalancing", aiming to shatter the "siege" imposed by the U.S. and contain the rise of India; (2) The economic significance of the "Belt and Road Initiative" is stressed. China has long intended to reduce the economic imbalance between the inland and coastal regions, seek an escape route for the large-scale overcapacity of the manufacturing industry, and consolidate its position as the global center of supply and manufacturing; (3) The Belt and Road Initiative is considered the natural development of China's desire to

replace the U.S. as the global hegemony. The U.S. academia's response to the Belt and Road Initiative can be roughly divided into two categories. One is the scholars who hold the traditional thinking of containing China's development and emphasize the consolidation of alliance to stop China from challenging the U.S.; the other is scholars who are relatively optimistic and advocate that the U.S. should join the "Belt and Road Initiative" on the premise of adhering to its own standard, thereby preventing China's impact and challenges on the international system.

This study holds that China intends to challenge the political hegemony of the U.S., expand cross-continental economic cooperation and development, and break through the multi-tier military siege imposed by the U.S. Proceeding from the data of the U.S. Brookings Institution and scholars of the Council on Foreign Relations, Sung (2017) believed that American scholars conceive the Belt and Road Initiative from three main aspects: intention, influence and prospect. (1) Intention: The conception on the intention of the Belt and Road Initiative by the U.S. Brookings Institution and the Council on Foreign Relations demonstrates three main tendencies: economic intention, intention of economic and strategic consideration, and strategic intention; (2) Influence: The Belt and Road Initiative can promote regional economic integration, threaten the dominance of the U.S. in the world, especially in Asia, challenge the geopolitical landscape, and impact the long-term US-led international financial system; (3) Prospect: Regional security, investment risks, and alleged doubts of some neighboring countries. Extending from the west shore of Atlantic Ocean to the east shore of Pacific Ocean, the U.S. boasts such a perfect geographical position that it can interact with Asian countries to its west and with European countries to its east. By contrast, China on the west shore of Pacific Ocean is blocked by the island chain formed by the U.S. and its allies to the east. However, countries to the west of China are relatively friendly from the third world. China's development of the western regions has lasted for a long time, but it is confined with its territory. The "Belt and Road Initiative" extends China's development of the western territory westwards to Central Asia, Europe and Africa. Against this backdrop the U.S. feels the threat to its status as the global hegemony and will naturally react. However, its location in the Americas deprives the U.S. of geopolitical advantages and makes the situation beyond its reach. Nevertheless, the Asian allies of the U.S. around China have become the best base for the U.S. to march forward. In the Cold War, the U.S. allied with countries of the free world to block the communist camp represented by China and the Soviet Union. In the 1990s, the collapse of the Soviet Union and the liberation of Eastern Europe marked the end of the Cold War, but the subsequent rise of China turns the target of blockade to China. The U.S. even extended the blockade from East Asia and Southeast Asia to India in South Asia. The designation of the "Indo-Pacific Strategy" mentioned by Chen and Wei (2015) in literature review can be regarded as an action of the U.S. to expand its "blockade" policy. This action can also be attributed to be one of the good reasons for China's "Belt and Road Initiative".

Yang (2012) pointed out that the U.S. policy toward India has been changed and featured "attraction" since the 21st century, the real purpose of which is to stabilize India so that India supports the U.S. anti-terrorism war on terrorism morally and India and Pakistan coexist peacefully without exerting a negative impact on the anti-terrorism war waged by the U.S. and Pakistan. Hillary Diane Rodham Clinton, ex-Secretary of State, made it clear at the ASEAN Regional Forum in 2009 that the U.S. would strengthen its relations with Southeast Asian countries, re-assume and reinforce its responsibilities and leadership in the Asia-Pacific region, as a political announcement for the return of the U.S. to the Asia-Pacific region. Hsia (2015) agreed that the "Indo-Pacific Strategy" launched by the Obama Administration since 2010 aims to: (1) expand the strategy of "Asia-Pacific rebalancing" to the Indian Ocean region to link the Pacific Ocean with the Indian Ocean; (2) to expand the U.S. "axis" Asia-Pacific security system to the Indian Ocean region to create a crescent-shaped huge network of alliances and partners; (3) to contain the rise of China and India within the framework of the US-led international mechanism and rules by implementing a two-pronged policy of cooperation and restriction. According to the 2015 National Security Strategy of the U.S. of America, the strategy of "Asia-Pacific rebalancing" pursued by the U.S. coincided strategically with India's "eastwards" strategy, indicating that the U.S. attempted to take advantage of India for its strategy of "Asia-Pacific rebalancing". From the strategies of "Pivot to Asia" and "Asia-Pacific rebalancing" to the "Indo-Pacific Strategy", the U.S. effort to contain China has been intensified constantly. According to Tsao (2018), the U.S. responds to "Belt and Road Initiative" with the traditional "siege". In addition, Sung's (2017) argument shows that the U.S. is alert and hostile to the regardless of intention, impact or prospect. This east-to-west development route diverts into two ways: one reaches Europe through Central Asia, and the other is a maritime route reaching Eastern Africa through Southeast Asia, with relay stations on each route. The relay stations along the route of the "Belt and Road Initiative" influence each other, and such influence also exerts an impact on the "Belt and Road Initiative".

3.2 Five Central Asian Countries of the "Belt and Road Initiative"

According to Li (2014), recent years have seen the attempt of a couple of major powers to work with Central Asian countries to build a Silk Road economy dominated by major powers. For example, in 2011, the U.S. proposed to bypass China and Russia to establish a "New Silk Road Plan" extending from the Greater Middle East and Greater Central Asia via Afghanistan to Pakistan to India. Aiming at integrating the two geographical sections of Central Asia and South Asia, this plan intended to grab the national interests in Asia following the withdrawal of international army from Afghanistan in 2014. Since the day when the five Central Asian countries gained independence, Japan has put forward the "Silk Road Diplomacy" and subsequently the "Silk Road Energy Plan".

Since 2004, Japan has adjusted and speeded up the planning on this issue for multiple times, proposing the "Silk Road Central Asia Strategy" of "Central Asia + Japan" that aimed at gaining a share in the energy competition and cooperating with the U.S. to contain the influence of Russia and China in Central Asia. Russian President Vladimir Putin proposed the "Steel-based Silk Road Plan" during his visit to South Korea in 2013, with railway transportation as the basis of large-scale Eurasian trade. All these are signs of the fact that many powers are targeting on Central Asia, but among these Silk Road initiatives China's "Belt and Road Initiative" has been the only one put into practice. In addition, the importance of Central Asia to the "Belt and Road Initiative" can be seen from the studies of the following scholars. Chang and Yuan (2016) pointed out that under the guidance of the concept of cooperative security, China's geopolitical strategy in Central Asia mainly includes: the security strategy of cooperating with Central Asian countries in combating "three forces" (terrorism, separatism and extremism) to safeguard border stability; the geopolitical strategy of maintaining a balanced political landscape of great powers in this region; and the energy strategy of ensuring the stability of Central Asian countries for their sustainable supply of oil and gas. Among these strategies, the consideration of border security and geopolitical balance proceeds from the geopolitical strategic positions of China and Central Asia, while the energy strategy is intimately related to the resource endowment of Central Asia and China's energy demand. Hu et al. (2014) proposed that the "Silk Road Economic Belt" with its east starting point in China will extend westwards to have three sections of different functions: (1) the Central Asian Economic Zone (population of 65 million); (2) the Pan-Central Asian Economic Zone (population of 1.96 billion); (3) the Eurasian Economic Zone (population of 2.74 billion including that of Pan-Central Asia). Tsai (2013) argued that China's growing influence on Central Asia also allows it to further reflect on its real interests in this region; specifically, such interests can be viewed from four perspectives: national security, geopolitics, energy strategy and economic interests.

According to Tang (2000), the development of the Northwest of China will be extremely slow if it relies solely on the gradual westward movement of economic forces in the coastal areas, and the gap between the Northwest of China and the coastal areas will be further widened, which is not conducive to the political and social stability of the Northwest. The economic integration of Central Asia and its vast market will be another power house for the economic development of the Northwest of China, contributing to the political and social stability of this region. Sung (2015) mentioned that the "Silk Road Economic Belt" complements with the "Western Development Strategy" and the synergy contributes to the economic development and social stability of China's border areas, and also facilitates the implementation of the foreign strategy of benefiting and securing neighbors. Apart from the tremendous economic significance, the initiative has brought about social progress and cultural exchanges among neighboring countries through economic development, playing an important role in ensuring regional security. Sung believes that the strategies of "Pivot to Asia" and "Asia-Pacific rebalancing" implemented by the U.S. in recent years have largely compressed the strategic space of China and changed the surrounding areas of China tremendously. As many new problems and situations emerge, China has been forced to upgrade its "Western Development Strategy". Qi (2015) suggested that the diplomatic influence of the "Belt and Road Initiative" on areas involved is as follows: (1) injecting new vitality into neighboring diplomacy conceptually and practically; (2) effectively integrating the dual neighboring diplomatic ideas of "advancing westwards positively" and "making maritime breakthrough"; (3) coordinating China's border development with the neighboring diplomacy. During the Soviet Union period, the Beijing government's direct interaction with Central Asian countries was scarce as the official channel for interaction was virtually under the full control of the Central Soviet Union government. After the disintegration of the Soviet Union, Beijing quickly established relations with newly independent countries, but the initial focus of China was mainly on demarcation and security support for the policy implementation in Xinjiang. China began to pay attention to the economic opportunities in the region in the mid-1990s. Since the 2000s, China has been an enthusiastic participant in the major infrastructure projects linking Xinjiang with Central Asia, such as road and pipeline construction. After

the 911 incident in 2001, however, Central Asian countries supported the "anti-terrorism war" waged by the U.S. In return, the U.S. has provided a considerable package of economic projects or trade opportunities for this region. Since the beginning of the 21st century, the Shanghai Cooperation Organization has remained an important forum on issues of trade and security, but the competition between Russia and China, two major member states of the organization, has curtailed its impact. As time goes by, the situation becomes clearer: China's constantly growing economic advantage translates into significant and sometimes even decisive political influence. Chang (2009) argued that the abundant resources and energy of Central Asian countries, such as Kazakhstan, Uzbekistan, and Turkmenistan, are in sharp contrast to China's relatively severe energy situation. China needs to import enough oil and gas to meet the sustainable economic development in the future, while the economic development of Central Asian countries requires the export of a large amount of oil and gas, which serve as the basis for the complementary energy cooperation between China and its neighboring countries in Central Asia. In summary of what these scholars argued, Tsai's (2013) argument combines that of Chang and Yuan's (2016) and Hu et al. (2014), both of whom believed that Central Asia has a great positive effect on China's political and economic development. Tang (2000) focused on the development of the Central Asian market. Sung (2015) and Qi (2015) suggested that the "Belt and Road Initiative" will be conducive to China's neighboring diplomacy and strategic development. Chang (2009) indicated that China's economic growth will inevitably lead to rising oil demand, which is crucial to the Chinese economy that is underpinned by a colossal amount of energy. Compared with the U.S., China owns the following advantages in Central Asia countries: (1) Opportune timing - The anti-terrorism effort of the U.S. at home deprives it of the attention to Central Asia; China's successful "reform and opening-up" and the consequent rapid economic growth require the transfer of excessive productivity to overseas areas; (2) Geographical convenience - China limits with Central Asia and the China Railway Express that travels across Kazakhstan will tighten the economic and commercial exchanges between the two regions, while Central Asia is beyond the reach of the U.S.; (3) Good historical relations - the U.S. and Central Asia rarely communicate and only maintain relations, while the Shanghai Cooperation Organization (SCO) provides a platform for the proper communication of China and five Central Asian countries.

The literature review indicates that the five central Asian countries that both the U.S. and China are competing for show preference to China, which boasts fast economic growth, close geographical location and good relations. Moreover, the fast-growing Chinese economy needs the energy supply of the five Central Asian countries, while the five demand for the direct investment of China, creating a win-win landscape. Nevertheless, despite the inferior timing, geographical location and bilateral relations, the U.S. still will ally with countries in the region to contain China, as it always does. Yang (2012) pointed out that since the 21st century, the U.S. has promoted the strategic layout of South and Central Asia through the following means: (1) launching a "color revolution" in Central Asia to bring the pro-American government to power; (2) controlling the core areas of South and Central Asia through wars in Iraq and Afghanistan; (3) actively attracting India and Pakistan to serve for its strategy in Central and South Asia. Therefore, China, despite its multiple advantages, still needs to be on guard against the U.S. allies in Asia that attempt to contain China. China had been blocked by the U.S. on the western shore of Pacific since the Cold War. Although the relationship between the two sides has greatly improved since the late 1970s when two countries established diplomatic relations, the U.S., out of the global strategic consideration, still adheres to the island chain strategy implemented in the Cold War to block China on the east coast of Asia. In response, China bypasses the maritime route and turns to land route moving westwards. This is why the Belt and Road Initiative has its starting "point" in the west and extends as a "line" towards Central Asia and then to the European Continent where an area comes into being. Since there is no port on the entire route from the west of China westwards to Central Asia and the European coastal areas, inland exports must rely on trains with large cargo loads. Thanks to the prevalent flat terrain in Central Asia and the existing railways that link it with Europe, land transportation marks the primary choice for the region. According to Mo et al. (2015), China has opened the China Railway Express that travel across three major corridors: the western corridor extends beyond China from the central and western regions via Alashankou (or Holgos), the central corridor extends beyond China from North China via Erenhot, and the eastern corridor (including the northeast) extends beyond China through the southeastern coastal areas via Manzhouli (Suifen River). By the end of 2014, there had been 21 routes of China Railway Express in operation, including 13 in normal operation and 8 in trial operation that cover 13 cities and 5 border ports in China. From its first opening in 2011 to the end of June 2016, the "China Railway Express" had travelled for totally 1,881 times, starting from 16 Chinese cities and arriving at 12 foreign cities. The 39 routes in operation have generated import and export of USD 17 billion in total.

Although Chou (2018) pointed out that there are four major obstacles to the "China Railway Express": (1)

dependence on government subsidies; (2) high operating costs; (3) low operating efficiency; (4) insufficient understanding and trust of countries along the route on the "China Railway Express". According to Lu et al. (2018), although the cost of maritime transport is far lower than that of rail transport, the time cost of the former is higher. It takes roughly 30 to 45 days from a Chinese coastal port to a European one, while it takes only 15 days for the China Railway Express to arrive in the destination. In addition, on the basis of quantitative analysis along with geopolitical and geoeconomic theories, Eurasia is partitioned comprehensively. The results show that: (1) In terms of transportation cost, maritime transportation holds an obvious upper hand, but the respective advantages of maritime and land transport vary from one region to another; (2) Taking time cost into account, the competition pattern of maritime and land transport basically shows a balance of 1:1; (3) Against the backdrop of the "Belt and Road Initiative", the integration of the Central European and Russian regions (a combination of inland and land-sea composite areas) is the hub for the integration of the Eurasian Continent. Given that all regions involved in the initiative are land-sea composite areas, this conclusion is expected to provide a scientific basis for China's in-depth cooperation with the European Union in the Belt and Road Initiative. As a result, China can claim that the "Belt and Road Initiative" is no longer a slogan but a fact in progress. Chou (2018) pointed out that the fourth obstacle to the "Belt and Road Initiative" is the insufficient understanding and trust of countries along the route on the "China Railway Express". Most Central Asian countries are developing countries with abundant resources and energy that are in urgent need of construction, a sign of their underdeveloped trade and logistics that leads to their poor understanding on the "China Railway Express". The logistics of five landlocked Central Asian countries relies on land transportation, and the transportation cost of railway is relatively low for export. Given that the five Central Asian countries are along route of the "Belt and Road Initiative", the "China Railway Express" can give full play to the role of these five in smooth flow of goods. As Yang (2012) stated, although the U.S. remains active in Central Asia, the five countries of this region are expected to opt for the economic "Belt and Road Initiative" rather than the political "Pivot to Asia".

3.3 Ten ASEAN Countries along the "Road"

Compared with the five Central Asian countries along the "belt", China and the ten ASEAN countries along the "road" have more frequent economic exchange and trade, so the "road" is expected to be implemented more smoothly than the "belt". However, the political factors differ the reality from the expectation. According to Womack (2017), Southeast Asian countries founded the Association of Southeast Asian Nations (ASEAN) in 1967 when China vigorously supported the revolutionary organizations in Myanmar, Thailand and Cambodia as well as the northern Vietnam in opposition to the U.S. agent in Southeast Asia. The invasion of Vietnam into Cambodia in 1979 created a common enemy for China and ASEAN. As a result, China reduced its support for revolutionary organizations in Southeast Asia and allied with ASEAN and the U.S. against Vietnam. At the same time, China's "reform and opening-up" policy began to develop common economic interests between China and its neighbors. Since trade started almost out of nothing, it took China a long time to become a major economic partner of Southeast Asian countries, but China's rapid development and its cooperative attitude raised close attention in the region. ASEAN Regional Forum (ARF) was founded in 1994; ASEAN began its "10+3" meeting with China, Korea and Japan in 1997. China shares borders with most of the ten ASEAN countries. The economic exchange and trade between the two sides should be frequent and their business activities can also complement each other, but as is mentioned above, the economic relations between the two sides were virtually a vacuum and on the verge of tension before the "reform and opening up". After the reform and opening-up, the easing political stalemate and the consolidation of trade and economic exchange have relieved the tension between the two sides, especially considering the important role of this region in the "Belt and Road Initiative". Sun (2015) suggested that the China-ASEAN cooperation should be the cornerstone of the "New Maritime Silk Road". Firstly, China should endeavor to build the "China-ASEAN Community of Shared Future" to stabilize the "diplomatic courtyard" of China. The "New Maritime Silk Road" relies on the member states of ASEAN and China and ASEAN are expected to sustain the global economic growth. Secondly, this initiative helps deepen China's geoeconomic interests. The integration of China and ASEAN can radiate into South Asia, Middle East and East Africa, and reproduce the glory of the traditional Chinese-led Maritime Silk Road. Thirdly, it should resonate with the "Silk Road Economic Belt" across Eurasia, and strengthen China's geopolitical interests. Finally, the initiative should diversify the cultural and personnel exchanges between China and foreign countries.

Although the relationship between China and ASEAN countries has gradually improved and trade has been intensified after the "reform and opening up" and the end of the Cold War, the U.S. still holds a strong political and economic grip on the region. Today, amid the collision between the "Pivot to Asia" and the "Belt and Road

Initiative", the political and economic influence exerted by China and that of the U.S. on ten ASEAN countries can be compared as follows: (1) Opportune timing – The withdrawal of the U.S. from the Trans-Pacific Partnership (TPP) has largely weakened the U.S. influence on the countries of the region, while China's successful "reform and opening-up" has boosted the rapid economic growth rapidly, and the bilateral economic exchange and trade are expected to expand. Added with the great promotion of the "Belt and Road Initiative" by China, this marks an opportune timing for both sides seeking mutual economic benefits; (2) Geographical convenience: The U.S. is far away from the ten ASEAN countries while China is close to them, granting China geographical convenience; (3) Good relations: Despite the huge distance between the U.S. and Southeast Asia, most of the ten ASEAN countries belong to the US-led democratic camp. Since World War II the U.S. has maintained long-term relations with ASEAN countries, some of which are allies of the U.S., and other non-allied countries of the organization are not hostile to the U.S.; the exchange between China and ASEAN countries are long and frequent, added with the advantage of overseas Chinese people. China has signed the Regional Comprehensive Economic Partnership (RCEP) with the ten ASEAN countries along the "road"; the China-ASEAN Free Trade Area (CAFTA) or ASEAN 10+1 composed of China and ten ASEAN countries has been fully launched since January 1, 2010.

Although China boasts the above advantages, Lin (2016) suggested that China's aggressive territorial claims in the South China Sea in 1992 triggered regional tensions and became one of the hot spots of conflict in the Asia-Pacific region. In the same year, China approved of the Act of Territorial Sea and Contiguous Zone on the Nansha and Xisha Islands, and ASEAN immediately issued the ASEAN Declaration on the South China Sea. ASEAN took the initiative to found the ASEAN Regional Forum (ARF), a countermeasure of ASEAN against China's sovereign claim over the South China Sea. This is the sign of the preoccupation of Southeast Asian countries on a rising China, but as Ku (2018) pointed out, the China-ASEAN economic relation is constrained by the current international climate of great change, great development and great adjustment: (1) The economic globalization, political multipolarization and constant IT development create pluralistic competition and cooperation, gaming and win-win relationship; (2) The 2008 financial crisis curbed the global economic growth by the Western developed countries, while the countries of emerging market represented by China "rise in group" and become an increasingly important force in global economy. (3) As globalization enters a new stage, "anti-globalization movements", extreme conservatism inside countries and trade protectionism sprawl all over the world, imposing challenges on the reform of international governance system. This study holds that the three changes of the international climate mentioned by Ku (2018) emphasize that the current world features: (1) cooperation in replace of competition; (2) emerging markets over advanced markets; (3) formation of anti-globalization. As the world is facing such a huge transformation, Southeast Asian countries that should act in line with the U.S. political stance still prioritize their economic needs over political ones. Therefore, the Belt and Road Initiative that boosts the economic benefits of all countries is bound to put the ten ASEAN countries in the predicament of leaning to China or the U.S., or whether economy outweighs politics. As long as China reduces political factors and focuses on economic incentives, the ten politically pro-American ASEAN countries at least will not reject the "Belt and Road Initiative", enabling the Initiative to be implemented smoothly and create a win-win scenario.

3.4 "Belt and Road Initiative" and "New Model of Major Power Relations"

Despite the obviously active countermeasures of the U.S., China continues to promote the "Belt and Road Initiative" in a low profile because China is keenly aware of the impact of international relations on its economic development. According to Wang (2009), China's 60-year relations with major powers can be divided into the following stages. The first stage was the alliance in the early 1950s when China allied with major powers such as the Soviet Union. The second stage featured the confrontation and competition marked by China's open "exposure, condemnation and criticism against the Soviet Union" in 1965, resulting in the open confrontation of both countries. The third stage featured the informal alliance. After the bloody conflict between China and the Soviet Union in 1969, China deemed the Soviet Union as the greatest threat and formed an "anti-Soviet" alliance with the U.S. The fourth stage was characterized by the non-aligned independence. At this stage, China continued to develop friendly relations with the third world without allying with any major power or small countries around it. China was the leader of itself. The fifth stage featured the multiple portfolio of partnership and China's integration into the international system. Since 1994, China has established various forms of partnership with many major powers. After breaking the shackles of the West-led sanctions in the international community, China began to introspect and construct its own international status, identity and image, shifting to the concept of "being a responsible major power". The sixth stage marks China's proactive action to build harmonious and cooperative relations among major powers. China has begun to rise to the

occasion where the world, especially other major powers, requires that it take on more international responsibilities.

Wang (2016) pointed out that after Xi Jinping came to power, there have been two approaches for the new concept of security. One is to inherit the approach for the new concept of security taken by Jiang Zemin and Hu Jintao, and the other is to adhere to the "overall concept of national security concept" proposed in the First National Security Conference from April 15 to 28, 2014. Wang (2016) noticed the shift of China's international strategy in practice as follows: from war and revolution to peace and development; Change from the low-profile domestic economy to the proactive foreign strategic activities aiming to making a difference; from self-centered to bilateral and multilateral development; from alliance to non-alignment and to partnership; from traditional concept of national security to the new concept of security and then to the expansion of overall concept of security; from ideology to national interests; from self-reliance to proactive integration to the international system; from national and regional perspectives to the height of global development. China's strategic development has evolved as mentioned by Wang (2009) and Wang (2016) because the failure of "Great Leap Forward" and "Three-Line Construction" since the founding of the People's Republic of China made China realize that the relations with the U.S. and the Soviet Union, along with the policy itself, held the key to success. This prompted Chinese leaders to understand that the international political environment greatly influenced the domestic economic development. The key to the success of the subsequent "reform and opening up" is not only the reform of the socialist economy and the implementation of the free market economy, but also the improvement of the international political environment such as the establishment of Sino-US diplomatic relations. The "new model of major power relations" aims to create a sound international political environment for the smooth implementation of the "Belt and Road Initiative", which is mainly out of economic consideration, but the rise of China has become major concern of the U.S., resulting in the "Pivot to Asia" strategy. This initiative has made the U.S. feel that its global hegemony is challenged so severely that it works with its Asian allies to block China at the cost of resorting to the Cold War mentality. To avoid direct conflict with the U.S., Xi Jinping proposed "building a new model of Sino-US major power relations" in his visit the U.S. in February 2012, which drew great attention in the globe. This model might be what Xi conceived for the development of Sino-US relations when he came to power. On March 11, 2013, Thomas Donilon, then assistant of the U.S. national security affairs, mentioned "building a new model of Sino-US major power relations" in his speech of explaining the U.S. policy toward Asia-Pacific region to the Asian Association. Wang (2016) put forward three negative effects of the U.S. strategy of "Asia-Pacific rebalancing": (1) undermining the strategic mutual trust between China and the U.S.; (2) the U.S. negative response to the Chinese initiative of "new model of Sino-US major power relations" initiative; (3) deteriorating the security environment of the Asia-Pacific region: China is not only deeply concerned about the U.S. diplomatic and military strategies, but also involved with increasing conflicts with other countries in the South China. Hu (2018) also pointed out that in addition to overcoming the pressure from the U.S., China's building a new model of major power relations still needs the support of a majority of countries in the region to tackle the challenges of other external factors. However, the U.S. effort to contain China's rise remains the decisive factor for China's successful new model of major power relations with the U.S.

In order to fully develop the economy, China has repeatedly adopted the strategy of non-confrontation and non-conflict in a low profile, from Deng Xiaoping's "keeping a low profile" to the "new model of major power relations", demonstrating China's sincere hope for "peaceful development" with being involved in conflicts with the U.S. The "new model of major power relations" can be regarded as China's attempt to prevent the "Sino-US confrontation" from escalating. In particular, after the "Belt and Road Initiative" was launched, China hopes that its policy will not be hindered by the constraints of the U.S. However, the "Belt and Road Initiative" shows that China's ambition is not confined to Asia, but as far as to Europe, Asia and Africa, which preoccupied the U.S. The upgrading of the strategy of "rebalancing" to the "Indo-Pacific Strategy" is a clear sign of the broader and stronger constraints by the U.S. on the "Belt and Road Initiative". In addition, the "new model of Sino-US major power relations" will also be decisive to the success of the "Belt and Road Initiative".

4. Results and Discussion

Since the 21st century, the growing "rise of China" has enhanced the determination of the U.S. to strengthen its influence on Asia through the "Pivot to Asia", which has been materialized by strengthening the political relations with its Asian allies to contain China and adopting the subsequent "Indo-Pacific Strategy". In contrast, the "Belt and Road Initiative" proposed by China, despite the existence of political intention, is a concept of international cooperation mainly out of economic consideration. From the economic and geographical perspectives, the western region is undoubtedly the end point of China's regional construction and development.

However, from the perspective of "Belt and Road Initiative", the remote western region on the border of China is in the center of East, West, Central and South Asia. Therefore, the western region of China that used to be considered the end point of investment and development will be the starting point of the "Belt and Road Initiative". China intends to extend its political and economic territory through the "Belt and Road Initiative" that goes across three continents, Europe, Asia and Africa. It can promote domestic and foreign investment economically and strengthen its relations with the third world countries politically. Logistically it can make use of the Eurasian railways on land and maritime routes through India and Southeast Asia to Europe. However, the success of the China Railway Express has been confined to the space between Asia and Europe, the success of "point" and "line" that is far from the success of "area". The five Central Asian countries can be regarded as the preliminary success of "area" on the belt and the operation of RCEP as the success of "area" on the road. The belt extends westwards from the west inland of China and Central Asia is an important relay station to Europe, while Southeast Asia is part of the "21st Century Maritime Silk Road" on the "Belt and Road Initiative" heading to Europe. Therefore, the support of ten ASEAN countries can be set as a target in the short run. With the "Belt and Road Initiative" initiative, the five Central Asian countries on the "belt" can exert a huge impact on China's economic development due to their energy endowment, and are expected to play their roles in the future market. The ten ASEAN countries on the "road" can be expected to expand their existing market scale. Wang (2018) pointed out that "Belt and Road Initiative" strategy provides strategic guidance for Chinese enterprises to develop the African markets, although some economic risk, social risk, policy risk, and investment risk in Africa, there also is advantage of a national strategy to support the opportunities and resources endowment. In order to further response to the "The Belt and Road" strategy, based on the systematic assessment of the African market risk, enterprises in China actively implement the "going out" strategy of developing African market, from the perspectives of enhancement of risk prevention and control, promotion of cross cultural management ability, Joint foreign investment among enterprises looking for suitable partners, prudent exploration of risks and so on. China has advantages over the U.S. in the opportune timing, geographical convenience and good relations of both the "belt" and the "road", but the attitude of countries involved towards the Initiative and the U.S. influence on these countries remain as a major obstacle to the smooth implementation of the "Belt and Road Initiative".

The above-mentioned attitude of major powers gears towards the "Belt and Road Initiative" decisive for its smooth development. Although the U.S. is on the other end of Pacific Ocean, its attitude exerts the hugest influence on the "Belt and Road Initiative". After the setbacks of "Great Leap Forward" and "Three-Line Construction" and the success of "Reform and Opening-up", China has come to be keenly aware of the key role played by the good international relations, especially the Sino-US relations, in its economic stability and development. Therefore, even if the U.S. persists in working with its Asian allies to curb the "Belt and Road Initiative" at the cost of repeating the Cold War, China's constant emphasis on "peaceful rise" and the "new model of Sino-US major power relations" demonstrates its effort to create the best environment for dispelling the hostility between the two countries and maintaining the sustainable development of China's economy. As discussed in the analysis, it is the U.S. that plays a decisive role in how to avoid the negative impacts of "Indo-Pacific Strategy", "Pivot to Asia" and "Belt and Road Initiative" and seek positive benefits from these strategies.

Acknowledgement

This research is supported by the National Chin-Yi University of Technology, Taiwan, R.O.C. (under Project: NCUT 19-R-MB-025)

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