

THE NEW ENCIRCLEMENT OF ASIA

A Wei-ch'i Interpretation of Chinese Global Strategy¹

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Heartland versus Rimland

Shortly before World War I a British geographer and strategist, Sir Halford Mackinder, proposed what he called the “Heartland Theory” of global strategy. Sir Halford theorized that whoever controlled Eurasia (very generally defined as being the greater part of Russia and adjacent areas of Central Asia) would dominate the globe. Almost immediately, [Nicholas John Spykman](#), a Yale professor, countered with his “Rimland Theory” which held that rather than control of the Eurasian landmass, world domination would attend those powers surrounding the “Heartland.” Spykman defined the “Rimland” as China, Japan, and the countries of western Asia – Ottoman Turkey and Persia (Iran.)

Each theory had its proponents – and detractors. However, we might reflect for a moment that perhaps both Sir Halford and Professor Spykman viewed the world *as it then was*. The Eurasian landmass was dominated by Tsarist Russia which sprawled from Poland to Manchuria, while the “Rimland” was controlled, directly or indirectly, by Great Britain at her imperial zenith. The British fleet and Britain’s empire linked key points from Suez to Hong Kong. India was a British viceroyalty and British alliances brought in imperial Japan, Thailand, the Netherlands Indies, and the Trucial States of the Persian Gulf.

In short, both Mackinder and Spykman viewed the world as it was in their time. This was the age of the Great Game in which Britain and Russia vied for influence from the Bosphorus to the Sea of Japan. The two empires confronted each other in Ottoman Turkey, Persia, Afghanistan, and imperial China.

A century ago the Great Game, as manifested in geographical theories such as the “Heartland Theory” or the “Rimland Theory” made sense. These theories seemingly described the world as it existed.

It may be argued that today a new Great Game is in play. In a sense, this “new game” is a synthesis of both theories – “Heartland” and “Rimland” – now combined into a grand strategy aimed at nothing less than encircling the entire landmass of Asia and bringing it under control of two Powers now acting jointly: the People’s Republic of China and the Russian Federation. It is a new world, very different from the one which Sir Halford knew in 1904 prior to the pivotal Russo-Japanese War of that year.

Prior to World War I the political geography of the world was fundamentally different from what it is today. With few exceptions, most lands of the African and Asian continents were European colonies or at a minimum European economic dependencies. “International politics” was determined by London, St. Petersburg, Paris, Berlin, and one or two additional European capitals.

¹ *Wei-ch'i*, also known by its Japanese name, “Go,” is a sophisticated game in which opponents use black or white tiles to gain territory while encircling each another. The winner is the player who encircles the most “space” on the board and renders his opponent unable to move freely. Chinese global strategy under the Belt and Road Initiative, as a form of *wei-ch'i*, will be assessed near the end of this paper.

The shock of the unexpected outcome of the Russo-Japanese War, followed a decade later by Europe's blood-letting and self-destruction in World War I, helped give rise to nationalism and increased pressure for self-government in many of Europe's Asian possessions. Even before World War I stirrings of nationalism and self-determination were manifest in India, which requested Dominion status as early as 1906, and in China which by 1912 had overthrown the Ch'ing dynasty and established a "national" republic. Nationalist movements existed in French Indochina and the Netherlands Indies.

Europe's self-destruction was complete by 1945. Bankrupt, with its cities in ruins, and millions dead, Europe's era of Colonialism was at an end. Nationalist movements that in the 1920s and 1930s had merely agitated for independence now realized their ultimate goal. The Philippines became independent in 1946, India in 1947, Burma in 1948, the Netherlands Indies in 1949, French Indochina in 1954, Malaysia and Singapore in 1957, and most African colonies between 1960 and 1975.

What neither Sir Haldor nor Prof. Spykman could possibly have envisioned was the transformation of both Heartland and Rimland by means of global war, violent social revolution, and exponential economic growth into something quite new by the close of the 20th Century. Under pressure of war -- and in a matter of a few months -- Russia moved from a centuries-old imperial system to a revolutionary republic. Also under pressure of foreign invasion, economic collapse and internal social upheaval, China likewise emerged from its semi-colonial status to become a people's republic.

The beginning of a synthesis of Rimland and Heartland -- what is known today as the "Belt and Road Initiative" -- has its roots in centuries-old history -- and in modern, post-Colonial politics and economics.

Quietly, almost imperceptibly, the Asian landmass and its adjacent waters -- two thirds of humanity and half the world's resources -- is being encircled by two Great Powers and their allies. Those Powers -- Russia and China -- have national interests and political systems sharply at variance with our own. A handshake deal between Vladimir Putin in the west and Xi Jinping in the east is steadily sealing off nearly all of Asia from the West and the United States.

The Origin of the Belt and Road

In a speech given in Kazakhstan during the summer of 2013, Chinese President Xi Jinping unveiled China's new program for international cooperation and economic development. Speaking to an audience largely consisting of Central Asian dignitaries assembled at Nazarbayev University in Astana, capital of Kazakhstan, Xi outlined what he then called "One Belt and One Road" which was aimed at bringing together the peoples and resources of Central and South Asia.² This program, which offers economic assistance, infrastructure development, exploitation of mineral resources, and expansion of trade has since become known as "The Belt and Road Initiative" or BRI.

Sweeping in its conception, the BRI is so broad that it encompasses not merely economic activity, but political, military, technological, and cultural aspects within its purview. BRI knows no geographical

² Xi's speech was delivered in July 2013. Some 80 countries are now enrolled in the BRI. The BRI is an outgrowth of China's forty-year drive for modernization begun in 1979 by Deng Xiaoping.

boundaries as it includes in its embrace virtually all of Asia, much of Africa and the Pacific island nations. It touches even Balkan countries and parts of Latin America. But its centerpiece is the Asian “Heartland” consisting of the former Soviet Central Asian republics and the “Rimland” countries of Southeast Asia and the Indian Ocean, Red Sea, and Persian Gulf. The BRI in essence is a synthesis of Spykman and Mackinder into what is envisioned as the world’s “new center” of politics and economics.

The BRI might be viewed as China’s official “coming out” from its half century political isolation. BRI is a clear and fundamental break from the People’s Republic’s past foreign policies. From the foundation of the People’s Republic in 1949 until the onset of the Four Modernizations under Deng Xiaoping in 1979, China’s foreign policy was heavily flavored by “Marxism-Leninism-Mao Zedong Thought.” Although the PRC undertook some economic aid projects, especially in Africa, China’s main aim was the exportation of its revolutionary ideals to underdeveloped former colonial lands of the Third World.

The Four Modernizations marked a departure from China’s radical and xenophobic policies under Mao and his immediate successors, known as the Gang of Four.³ In 1949 the new Communist regime seized most private property, all factories and mines, agricultural land, and virtually anything of economic value. Applying a Soviet economic management model, the State controlled and directed all production under “Plans.” Mao’s goal was the rapid forced modernization of his new People’s Republic. It was modernization, he believed, that would strengthen China against possible foreign encroachment.

As it happened, economic mismanagement was compounded by ideologically-driven upheavals such as the Great Leap Forward in 1958 and the Great Proletarian Cultural Revolution of the mid- to late-1960s. The result was near economic collapse, mass starvation, and disruption of State and society.

With the death of Mao in 1976, the Gang of Four, consisting of Mao’s actress wife, Jiang Qing, aided by radicals Zhang Chunqiao, Yao Wenyan, and Wang Hongwen took power and continued Mao’s socialist economic policies until their downfall in October 1976.⁴

1979 was the year when China changed. In that year, the “Leading Capitalist Roader” Deng Xiaoping emerged from political oblivion and set in motion the policies that remade the country. Since 1980 China has emerged as the world’s second largest economy and a model of dynamic capitalist growth. Deng did this by decoupling the economy from direct political control and State management. His program called for cooperation with capitalist countries – especially those like the United States with valuable technical and production expertise. Private enterprise, anathema during Mao’s time, now was strongly encouraged.⁵ Ideology was removed from the Chinese economy.

³ See Tom Scovel, The Year China Changed, chapter 8, for his experiences during his year of teaching English in Tianjin and the profound changes in economics and lifestyles then taking place under Deng Xiaoping’s “Four Modernizations” policy. The four areas were: agriculture, industry, science and technology, and military.

⁴ The Gang of Four were deposed, arrested, and tried in 1980-81. All received lengthy prison terms for “treason.” Their chief victim, Deng Xiaoping, was politically rehabilitated and made *de facto* head of state.

⁵ Deng’s program was somewhat similar to Lenin’s “New Economic Program” of 1921. Although private enterprise was approved, Deng made it clear that the Communist Party was to remain the sole arbiter of China’s political life.

During the following thirty years China's phenomenal economic growth transformed what had been a largely agrarian peasant society into an urban, middle class society living in an industrialized nation. The benefits of absorbing foreign technology and capital, and promoting a broad range of exports raised an estimated 800 million Chinese to what is considered middle class status.⁶ More will be said about this fundamental shift in China's demographics and its political implications.

By 2010, with its new wealth and industrial power, China had achieved a pivotal position in the global economy and was now capable – and ready – for the pursuit of its political and military ambitions.

The Central Kingdom looks Outward

China's present foreign policy (ironically) has very traditional roots, indeed origins stretching back as far as the Han and T'ang dynasties.⁷ The famed "Silk Road" connected Han China with Persia and the Roman Empire, and was a highway not merely for the silk trade, but for the exchange of ideas.

China has traditionally viewed itself as the "Middle Kingdom" – the cultured center of the world around which were to be found various tribes and kingdoms of "less-civilized" peoples such as the Vietnamese, Koreans, Japanese, Mongols, Manchus, and various tribes in Siberia and Central Asia. The Chinese world view was that these lesser states provided tribute to the emperor; in return, the Middle Kingdom gave protection and civilization to these "less-civilized" peoples.

The transformation of People's China from its inward (often self-destructive) radical focus to its new outward direction took shape during the first two decades of the 21st Century. This change was driven in part by economic motives, but also in part by selective memories of China's lengthy history. For example, maps of the People's Republic for sale in 1979 showed the entirety of the South China Sea as China's possession.⁸ In 1979 this was merely a pious wish, perhaps buttressed by recollections of China's 15th Century voyages led by Admiral Zheng He. By 2009, however, control over the South China Sea was no longer a dream or historical memory, but a reality – backed up by the Chinese navy.

China views its neighbors in the following manner. Of primary concern are the "island arc" states of Japan and its Ryukyu chain, Taiwan, the Philippines, and (here as an "island") the two Koreas. Next in order would be the balance of Southeast Asia, with special emphasis on the straits leading through Indonesia and Malaysia to the Indian Ocean. Probably in third place is the vast region of Central and southern Asia – here including not only the former Soviet republics, but Pakistan, Afghanistan, and Iran.

It should be noted that all of these areas have been of interest to China since imperial times – some, such as Central Asia -- as far back as the Han Dynasty. At times, China exercised direct rule over many of

⁶ Peter Frankopan, The New Silk Roads, p.10. China's population is estimated to be 1.4 billion. Some 600 million remain on farms, but the high rate of urbanization – spurred by industrialization – has transformed the nation.

⁷ The Han dynasty (206 BCE – 220 AD) and T'ang dynasty (618 – 907) each ruled large parts of Central Asia.

⁸ Author purchased such a map in a Shanghai department store in September 1979.

these lands, and at other times was content merely to leave local sovereigns in place so long as tribute was received each year.⁹

Two relatively new areas of Chinese interest are sub-Saharan Africa and the Central Pacific island states. East Africa did receive a visit from Admiral Zheng He around 1420, but contact was broken off by the Ming emperors in 1433 when the fleet was disbanded.¹⁰

Today's Pacific island republics, former Spanish possessions, passed to Wilhelmine Germany and then, after World War I, to Japan. In 1945 many of these island groups were entrusted to the United States under a United Nations Trusteeship. Most have since become independent, self-governing republics.

The Belt and Road Initiative extends to all of these areas --whether areas of "traditional" interest such as Central Asia, or more recent areas of Chinese interest such as Africa. But it should be understood that each broad region is of interest to China for pragmatic, though often very different reasons. Some countries are of interest as a source of rare metals, others for oil and gas, some for trade and finance, and others for purely strategic reasons. What is true in all cases, however, is that each region in some way meets a perceived Chinese need. China's BRI is neither designed nor intended as a give-away foreign aid program, but for the development of ties that draw those areas closer to Beijing. As we will see, in certain respects the BRI exhibits distinctly "colonial" features.

While the BRI has, in fact, benefitted a number of countries – especially those in Central and southern Asia – its purpose is clearly to extend China's influence well beyond the People's Republic's borders while obtaining materials vital to China's continued rapid economic growth.

China's approach to the Belt and Road

China's current program is comprehensive and seeks to combine the advantages of land and sea. On land, primarily in its relations with the former Soviet Central Asian republics, but also with Afghanistan, Pakistan, and Iran, China strongly promotes the building of modern highways, railroads, and pipelines. This very sensible approach aims at connecting Asian resources with markets mainly, but not exclusively, in China. Central to the BRI's approach is substantial investment in capital infrastructure.

Soviet-built roads across the Central Asian deserts often were pitted, bumpy and poorly marked. The BRI initiative envisions work to re-grade and repave many of these roads. Le Yucheng, Vice Minister of Foreign Affairs, told the Financial Times *"We Chinese often say that if you want to get rich, build roads first."*¹¹ Chinese-built roads may be found in Kazakhstan, Uzbekistan, and Turkmenistan.

⁹ Japan and India were never subject to Chinese rule but did interact with Classical China culturally from Han times. As a land power, China often invaded Korea, Vietnam, and Mongolia. But only in the Ming – and then for barely thirty years -- did China send fleets abroad. The Ming had little interest in naval affairs.

¹⁰ See Reischauer and Fairbank, *East Asia: The Great Tradition*, pp. 321-325, for an overview of Zheng He's seven voyages to India, the Middle East, and East Africa. The voyages were ended in 1433 and the ships destroyed after the death of Emperor Yung-lo and a change in Court politics and strategic perceptions regarding Mongolia.

¹¹ Frankopan, *op.cit.*, p. 67, quoting Jamil Anderlini who interviewed Vice Minister Le, 25 September 2018. Minister Le was born in Kiangsu province in 1963 and is one of China's new generation of diplomats.

Not far behind improvement of roads is the construction of new rail lines and the repair of existing lines built by the Soviet Union. With the construction of a huge supply base at Khorgas, a town on China's border with Kazakhstan, China now can send its goods by rail not merely to Central Asia and Iran, but to Indian Ocean ports and even to Great Britain.¹²

By sea, China's program focuses on ports, harbors, and control of strategic waterways. The Chinese have worked with a number of countries bordering "sea lines of communication" to construct harbors for commercial vessels. Chinese-built ports exist in Sri Lanka and western Pakistan, and plans exist for others on the African coast. In some cases, the Chinese simply buy their way into control over existing ports. Two examples are Greece's Piraeus and the Port of Darwin in Australia.

Most notable in this regard is construction of a huge port at Gwadar in western Pakistan. Not only is Gwadar capable of handling Ultra Large Carrier Vessels (known as ULCVs) which can carry 10,000 containers, but the Chinese planners are linking Gwadar by rail with the interior of Central Asia. It is possible that the port also could be the terminus of important gas pipelines from Turkmenistan.

A similar port is nearing completion at Hambantota, Sri Lanka, reportedly built at a cost of \$1.1 billion. This and other port facilities in the Indian Ocean area will support China's rapidly rising export-import trade. China is now believed to be the world's leading importer of crude oil from sources in the Persian Gulf and West Africa. Prior to the global pandemic of 2020, China's consumption of crude oil was estimated to be 8 million barrels per day. China's main source of oil is Iran, but other important sources are Nigeria, Angola, and Indonesia – all by tanker. China's development of pipelines and rails connecting it with oilfields in western Siberia and Kazakhstan offer additional supplies.

Whenever possible, the BRI plan is to connect Indian Ocean ports with pipelines and railways from the interior of Asia. This facilitates the extraction of mineral wealth and other resources while reducing the cost to China of exporting its manufactured wares to markets in Central or South Asia.¹³ Frankopan notes that it is now possible for China to ship its goods by road or rail from factories in Shanghai to consumers in Tehran. Highways over the Himalayas provide similar access to Pakistan.

As is standard, military involvement accompanies the expansion of commerce. The People's Liberation Army (PLA) is developing ties with Central Asian countries while the People's Liberation Army Navy (PLAN) expands its operations routinely into the Indian Ocean. The PLAN routinely stations eight of its vessels in the Indian Ocean.¹⁴ More will be said concerning China's BRI-related military involvement.

China's financing of BRI

¹² Frankopan, op.cit., reports that in January 2017 a 34-car train arrived in a London suburb that originated in Khorgas, styled a "dry port" by the Chinese. While rail transportation of goods to Britain is not commercially economical, the feat showed that trains could in fact operate between Shanghai and London – some 7,438 miles.

¹³ China views Afghanistan as a potential treasure chest of metals, including rare earths, and has purchased rights to the country's entire source of copper ore for \$3 billion. The current problem is lack of transportation.

¹⁴ Frankopan, op.cit., p.104, quoting Asian News International, "Chinese navy ships in Gwadar a concern: Indian Navy Chief," 1 December 2017.

The invisible force behind the building of roads, ports, pipelines and other facilities is banking. The Chinese use a network of government-controlled banks to lend money to foreign governments for BRI-related projects. It is here in banking that the Chinese hold the strings over what client states may do. By foreclosing on loans that cannot be repaid Beijing also gains certain advantages.

Like typical western bankers, the Chinese will lend money for specific projects to be repaid with interest at a certain date. Like any other banker, Beijing will lend against collateral that is held against possible non-repayment of the loan. However, unlike western bankers, it appears that the Chinese happily lend money *well knowing that in many cases the loan cannot be repaid*. In such cases, Beijing will exercise its right to claim the collateral – usually an asset in the debtor country -- in lieu of the cash it is owed.

It is probable that when Beijing is considering lending money to an applicant it makes not merely an assessment of the applicant's expected ability to repay the loan – as would any western banker -- but the political and strategic advantages accruing to China *whether or not* such a loan is repaid. In some ways, Chinese lending greatly resembles that of a pawn broker who stands to gain regardless of the outcome of a loan. In this respect, some of China's loans might be considered "predatory."

Andrew Small, a senior fellow at the German Marshall Fund, drafted a report in which he outlined the following concerns about the Belt and Road Initiative. Small's report states bluntly that *"China has lent up to \$350 billion to countries, about half of them considered high-risk debtors."* He further observed that the Chinese, upon foreclosing on the unpaid loans, would *"take over strategic assets in countries that now can't afford to feed their people."*¹⁵

Nigeria, for example, signed on to a Chinese-sponsored program to build a railroad from Ibadan in the southwest to Kano in the north at a price of \$5.3 billion. The Nigerian Transport Minister, Rotimi Amaechi, speaking before Parliament in Abuja, noted a clause in the Chinese loan concerning actions in the event of non-payment. He stated: *"The implication is that if by the end of the day, you don't pay back our money, whatever we need to take from you we will take from you. But what the Chinese normally do is that they go after the same asset to recover their money. So what is wrong with that?"*¹⁶

Nigerian journalist Ademola Adegamigbe reports that the controversy revolves around the surrender of a portion of Nigeria's sovereignty should the country default on its loan. In such a circumstance, "repayment" might be in the form of ceding control over a port, such as Port Harcourt, to China. Adegamigbe also notes that Angola, China's source of African oil next to Nigeria, was obligated to pay its defaulted loan in oil.

The German Marshall Fund believes that at least ten African countries are beholden to Chinese banks. According to their statistics: Angola owes \$25 billion; Ethiopia \$13.5 billion; Kenya \$7.9 billion; Republic of Congo \$7.3 billion; North Sudan \$6.4 billion; Zambia \$6 billion; Cameroon \$5.6 billion; Nigeria \$4.8

¹⁵ Ademola Adegamigbe, "Controversy: Nigerian Rail Projects and the China Debt Trap," 1 August 2020; see Nigeria News at <https://www.thenewsnigeria.com.ng/2020/08/01/controversy-nigerian-rail-projects-and-the-china-debt-trap/> (on-line source)

¹⁶ Ibid.

billion (not counting the Ibadan-Kano railway); Ghana \$3.5 billion; and Democratic Republic of Congo \$3.4 billion. The report also stated that the DROC was “*quick to exchange mineral resources for loans with China*” and that “*China is taking Zambian firms as part of [its] repayment plans, and there were reports that ZESCO, the national power utility was being taken over by China.*”¹⁷

One key aspect of BRI financing is China’s frequent requirement that its engineers and technicians be employed in the project, and indeed, in many cases that they supervise and direct the work being done. Quite often this requirement extends to hiring Chinese general labor as well. Some African countries – expecting to use Chinese money to hire their local workers – found to their dismay that the majority of workers were in fact Chinese, not locals as they had expected. The project therefore became an employment opportunity for Beijing that was being paid for by a foreign government which was servicing a Chinese BRI loan at interest.

It may be that Chinese financial exposure to its African clients dwarfs its other loans. But it appears likely that Pakistan, Myanmar, and Sri Lanka, among others, also have fallen into the same debt trap. Hambantota, the Sri Lankan port facility that cost \$1.1 billion, is in danger of being “repossessed” because that loan will not be repaid. Frankopan believes China will simply assume control of the port as its “repayment.”¹⁸ Mombasa is another port which may fall into Chinese hands. He also notes that Tajikistan ceded some of its territory to China in settlement of the foreclosure of its sovereign debt.

The Chinese approach to financing BRI projects ensures Beijing of success in its goal of extending its commercial interests and political influence. Most BRI loans are made to countries possessing oil or valuable metals or having a geographical location useful to China for political or military ends. From Beijing’s perspective, if the loan is repaid (with interest) that is all well and good. The project stands as an example of “China’s generosity and good will” – thereby enhancing its image locally. Moreover, the funds – repaid in hard currency -- now can be lent for other projects.

And if the loan goes into default, Beijing has been very careful to insert clauses guaranteeing its right to take possession of certain assets benefiting China militarily or economically. China appears to have special interest in acquiring the ownership, or at least the management, of commercially useful ports.

The bottom line is the inescapable conclusion that China is pursuing a version of the imperial strategy which was used against it by the European powers -- Great Britain especially -- during the 19th Century. Ironically, as we will see, the United States itself has played a key role in getting the BRI underway.

The Russo-Turkish Component of BRI

¹⁷ Adamgamigbe. China has especially high interest in the Democratic Republic of Congo because its southern province, Katanga, is one of the world’s few sources of rare earths needed for advanced electronics.

¹⁸ Frankopan, op.cit., pp.82-83, quoting “Cosco reveals \$620m Piraeus development plan,” [Seatrade Maritime News](#), 29 January 2018. Cosco is the China Ocean Shipping Company.

Vladimir Putin is in his twentieth year as president of the Russian Federation. A pragmatist in foreign relations, but also something of a traditionalist in the mold of Peter the Great or Tsar Alexander I, Putin has taken steps to restore Russia's military and political power in Europe and the Middle East.

The collapse of the seemingly invincible Union of Soviet Socialist Republics in 1991 under the pressures of rising nationalism and a failing economic system raised serious doubts about Russia's future.

In retrospect, Boris Yeltsin, the Russian Federation's first post-Soviet president, was merely a transitional figure. Not only was the economy in shambles and Russia's control of Central Europe at an end, but the survival of the country itself seemed at stake. Putin himself reportedly feared "Yugoslavization." Most Soviet republics such as those in the Caucasus and Central Asia became nominally independent.

In her November 2007 ALPS paper, author Maria Ivusic noted that Vladimir Putin was profoundly shocked by the downfall of the Soviet Union – a country he had fervently and loyally served as a KGB officer. She notes:

Putin has chosen for his entourage former [Soviet] Army people, his old friends from the security service [KGB], and some new elite of businessmen. His most determined endeavor has been to rehabilitate Russia as a world power.¹⁹

Putin understood that the roadmap to building a new Empire lay in the historical record. And to understand that roadmap one must understand geography. Historically, the Russian Empire faced in three directions – to the West, toward the Baltic region and Central Europe; to the South, toward the Black Sea, Turkey, and the Middle East; and toward the Southeast – the Caucasus and Central Asia.

Putin has demonstrated great political skill in pursuing his goal of restoring Great Russia to its former greatness. In Putin's view, if the Russian Federation is once again to play the *role* of a Great Power in European and world affairs, it must *be* a Great Power. That means the projection of Russian influence and military power beyond its borders, especially in Central and Southwest Asia.

Putin's first step was to seize the Crimea in a "blitzkrieg" war against Ukraine in 2014. The Crimea offered Putin two related benefits. The first was sole control over the old Soviet Black Sea Fleet which formerly had been shared with Ukraine. The second was unobstructed access to the Black Sea itself and direct engagement with Russia's historical rival, Turkey. This opening move gave Russia the ability to intervene in the Syrian civil war and seek improved ties with Turkey and Iran.

Turkey's President Recep Erdogan is taking his country in a new direction from that charted by the founder of the secular Turkish Republic, Mustafa Kemal Ataturk – a pro-West policy followed by nearly all Ataturk's successors. Erdogan, a nationalist, also is playing to a religiously conservative audience. He is increasingly at odds with western secularism and with the West in general. Since the so-called "failed coup" of July 2016, Erdogan has distanced himself from Europe and the United States and turned

¹⁹ Maria Ivusic, "Vladimir Putin," ALPS Paper, 28 November 2007, p.6.

toward Russia and Iran.²⁰ Internally, Erdogan has encouraged conservative religious groups and stepped up repression against Turkish officials and ordinary citizens associated with the West.

Vladimir Putin has been quick to exploit Turkey's change of direction in its foreign relations. Putin has met personally with Erdogan on several occasions, and sometimes in association with Iranian president Rouhani. A central issue for all three men is the continuing civil war in Syria. A subtheme to aiding the regime of dictator Bashar al-Assad is expelling the United States from the region.

Putin, Erdogan, and Rouhani all blame American activities in Syria, especially U.S. cooperation with Kurdish forces and support of the "Free Syrian Army," as the "chief obstacles to peace." Echoing comments by Russian foreign minister Sergei Lavrov that American intervention was "illegal," Erdogan reportedly told Putin that the United States was the greatest threat to Syria's future. Iran's President Rouhani went further by saying that the three powers should unite to "*resolve the situation and force America out*" of Syria.²¹

Further evidence of Russia's growing influence with Turkey is Erdogan's purchase of the formidable S-400 air defense system from Moscow for \$2.5 billion and negotiations for Su-57 aircraft. Upon learning of the purchase of the Russian air defense system, the United States Senate immediately canceled a potential sale of F-35 fighters whereupon the Russians immediately offered their Su-57 equivalent.²²

An important question now looms regarding Turkey's continued membership in NATO. From the early 1950s successive Turkish governments have played active roles in NATO. Turkey's General Staff worked closely with American counterparts, and basing rights for U.S. forces and intelligence agencies was never in doubt. Hundreds of Turkish officers trained at U.S. military colleges and special centers. Today, however, it appears that Turkey's new relationship with Russia and Iran points to the end of Turkish involvement in NATO and the closing of remaining bases such as that at Incirlik.

China has also made overtures to Turkey. Chinese President Xi Jinping met with Erdogan at a BRICS meeting held in July 2018 where Xi reportedly offered Erdogan unspecified development assistance. The BRICS group (consisting of Brazil, Russia, India, China, and South Africa) is headquartered in Shanghai and exists to promote BRI objectives: infrastructure development and financial assistance.²³

Xi's interest in Turkey has political and strategic, rather than purely economic considerations. Erdogan is pursuing a foreign policy somewhat reminiscent of the Ottomans which has "pan-Turkic" aspects. His focus is primarily on parts of Europe and the Middle East formerly ruled by the Ottomans. But Erdogan

²⁰ Many Turkish and other observers believe that the July 2016 "coup" was in fact staged by Erdogan and his AKP supporters as a pretext used to oust political opponents and members of the Turkish General Staff. Thousands of Erdogan's political opponents have been jailed and many thousands more dismissed from their jobs. Opposition journalists have been special targets. Erdogan blames the U.S. and Sufi leader Fethullah Gulen for the "coup."

²¹ Frankopan, op.cit., p.187, citing Rouhani's comments quoted in [Tasnim News](#), September 2018.

²² Frankopan, op.cit., p.164, citing Reuters and TASS reports on these deals. Prof. Raphael Danziger notes that the Turks are still negotiating with the Russians over their offer of Su-57 stealth fighter aircraft.

²³ According to Wikipedia, "BRICS" (the acronym was coined by a Goldman-Sachs economist) represents 18% of global GNP, 15% of global trade, 30% of world economic growth (since 2001,) 40% of the world's population, and 40% of world foreign currency reserves – for the most part probably in Chinese hands.

also considers Central Asia to be of Turkish interest. Indeed, many Turkish entrepreneurs were quick to enter Central Asia with the collapse of Soviet rule there in 1991. Turkish and Iranian trucks carry a high percentage of the trade in Uzbekistan, Turkmenistan, and Kazakhstan.

However, Xi might also have an eye on Turkish cooperation not merely as it relates to development issues in the former Soviet republics – four of which are culturally Turkic -- but also in cutting off “Turkic” support to the Uyghur people inside China.²⁴

China is also cultivating its ties with Iran. Beijing is interested in Iran for both economic and strategic reasons. China looks to Iran as its primary source of crude oil which it brings out by tanker from the Persian Gulf through the Indian Ocean. U.S. sanctions against Iran, to include the Trump Administration’s abrogation of the Obama-era agreement on nuclear technology, have merely aided Beijing’s efforts to strengthen its relationship. Unlike America’s allies, Beijing feels no obligation to observe U.S. sanctions and has funded road improvements and pipelines in Iran. The French company, Total – which observes American sanctions -- gave up a promising lease on Iran’s South Pars gas field – promptly snapped up by the Chinese National Petroleum Company.²⁵

Turkey and Iran are cooperating with the defiant regime in Qatar. Turkey maintains a military base there. Moreover, Turkey and Iran furnish political support to Qatar in defiance of the Kingdom of Saudi Arabia which accused Qatar of supporting Islamic extremists, notably the Muslim Brotherhood. Qatar is at present the United States Navy’s main anchorage in the Persian Gulf. It is an open question how much longer it will be possible for the United States to safely maintain its fleet headquarters in Qatar.

Although China’s relationship with Russia, Turkey, and Iran is not formalized in a treaty agreement or alliance, the four Powers nevertheless have a clear convergence of national interests. All four appear to be putting aside any differences between themselves and are focused single-mindedly on expelling the United States from the region. Should Ankara sever its ties with Washington, America’s remaining allies in the region – Israel, Jordan, and Saudi Arabia – will be effectively cordoned off from their neighbors.

Chinese military operations on land and sea

It has been said that a nation’s flag follows its trade. As mentioned, China provides military support in tandem with its BRI economic moves. China is developing military ties on land with several of its trading partners in Central and South Asia, and especially with the Russian Federation.

Most notable of its military activities is the People’s Liberation Army (PLA) participation in the Russian-sponsored “Vostok-18” exercises, the largest war games since 1981, which involved contingents from ten different countries. Reportedly, the Chinese sent 3,000 personnel, thirty aircraft, and an assortment of vehicles and other equipment to take part in Vostok-18.

²⁴ China has long believed, with some reason, that Islamic elements in Kyrgyzstan and Kazakhstan are aiding the Uyghurs by providing weapons and safe haven for insurgents. Since about 2000 China has waged an intensive “counter-terrorist” campaign in Xinjiang against Uyghur separatists. The Uyghurs are a Muslim Turkic people.

²⁵ Frankopan, op.cit., p.153, citing Reuters.

In the summer of 2018 combined military exercises by forces from countries of the Silk Roads that are members of the Shanghai Cooperation Organization took place near Chelyabinsk in the Urals. These included soldiers from Russia and China, and they also saw the presence of troops from India and Pakistan – the first time that the two countries have ever taken part in a joint military exercise.²⁶

Beyond the purely military experience gained from such exercises – which involved the simulated use of nuclear weapons -- China and Russia used the opportunity to enhance economic and political ties. China arranged for a substantial purchase of Russian oil, agreed to invest in Russian enterprises, and promoted its own export trade.

Not least, Beijing's Minister of Defense, Gen. Wei Fenghe, paid an official visit to Moscow and affirmed China's ever-closer relationship with Russia. Gen. Wei made the following statement for the record: *"I am visiting Russia....to show the world a high level of development of our bilateral relations and [the] firm determination of our armed forces to strengthen strategic cooperation. The Chinese side has come to Moscow to show [the] Americans the close ties between the armed forces of Russia and China. We have come to support you."*²⁷

Ten months earlier Vladimir Putin and Xi Jinping released a joint statement to the effect that China and Russia were "each other's most trustworthy strategic partners."²⁸

What is clear from the Russo-Chinese military-political partnership is that neither Power needs to expend military resources guarding their 4,000-kilometer border as was the case even as late as the 1990s. Each is therefore able to focus on potential opportunities (or adversaries) on its frontiers with the West in the case of Moscow, or Asian neighbors in the case of Beijing. The Sino-Russian agreements of 1996 and 1997, and more especially the close relationship between Xi and Putin, have fused the Heartland with the Rimland into one massive geo-political unit comprising nearly 10.3 million square miles. Mackinder and Spykman no longer have a quarrel.²⁹

On the sea, China thus far has acted without help from its friends, though Pakistan's navy offers the potential for possible future assistance. As mentioned, at any one time there are at least eight PLAN³⁰ vessels on station in the Indian Ocean – a matter of considerable concern to the Indian navy. Adding to New Delhi's concern is China's approach to the Maldives seeking basing rights. With basing rights at Gwadar in Pakistan, at Mahe in the Maldives, and possibly in Sri Lanka and Myanmar, India would be effectively surrounded by China's sea forces.

²⁶ Frankopan, op.cit., p.49, citing TASS and Economic Times, 9 June 2018.

²⁷ Ibid, pp. 180-2. "China's defense chief calls his Moscow trip a signal to the US," Associated Press, 3 April 2018.

²⁸ 3 July 2017; China Daily, CNBC, many other sources.

²⁹ The Sino-Russian border has been a matter of contention since the 17th century. In the 19th century, Tsarist Russia annexed the Amur and Ussuri districts of Manchuria which are still in Russian possession. In 1969 there were several armed clashes in the Ch'en-pao Island area along the border. Agreements in the 1990s appear to have resolved outstanding border issues, at least for the time being.

³⁰ "People's Liberation Army Navy" is its formal name, here abbreviated to "PLAN." (In Mandarin it is "*renmin jiefang jyun hai-jyun.*")

Further west, where the Indian Ocean meets the entrance to the Red Sea, China built its first naval base at Djibouti -- the former French Somaliland. Djibouti's location makes it ideal for control of the Strait of Bab el Mandeb, the entry to the Red Sea. It is estimated that 30% of the world's commercial shipping passes through the strait, to include a high percentage of oil tanker traffic. Beijing justifies the PLAN's naval base as needed to assist other countries in anti-piracy patrolling. However, naval strategists are aware that, should the need arise, PLAN units operating out of Djibouti could be used to close this strategic waterway. The People's Navy base is just a few miles from a U.S. Navy base in Djibouti.

Additional naval moves on the African coast include Russian negotiations for a base in Somaliland (a former British protectorate and erstwhile province of Somalia) and the possible assumption by China of control over the port of Mombasa in Kenya. As noted, this latter move may result from Chinese foreclosure of a portion of Kenya's debt incurred as part of the Belt and Road Initiative.

Closer to home, the Chinese navy has completed its enclosure of the South China Sea. China seized the Paracel Islands from Vietnam in January 1974 and has continued its policy of occupying islands – or building artificial islands when and where the PLAN believes they are needed.³¹ The countries bordering the South China Sea – the Philippines, Malaysia, Vietnam, and Indonesia – have protested Chinese moves but lack the power to take effective steps to curb Beijing's activities.

Beijing's latest effort aims at carving off the southern group of the Ryukyu island chain in the East China Sea, thereby outflanking Taiwan and check-mating the American naval and air bases on Okinawa. The Chinese claim that the islands "historically" belong to China because in imperial days they paid tribute to the Ch'ing dynasty emperors. Although stating that the southern Ryukyus would be exploited only for their abundant fish, suspicion is strong that the PLAN would fortify one or more of the islands and turn the Ryukyus into a naval base for operations against Taiwan. A base there also would complicate U.S. naval operations in the East and South China Seas.³²

It is possible to foresee Beijing projecting its naval power into the Central Pacific in partnership with those island republics linked with BRI or the Shanghai Cooperation Organization. Many of the Pacific states have received small amounts of BRI aid, mainly for construction of public buildings. Tonga, however, may have fallen victim to the Belt and Road "debt trap."

Frankopan notes that in the cases of Mombasa, the Maldives, or Tonga, "debt distress" lies at the heart of their willingness – or their necessity – to concede extra-territorial rights to Beijing.³³ Should Beijing foreclose any of these BRI loan agreements, it is probable that as "collateral" the Chinese would take possession of their port and harbor facilities. Mombasa would be of exceptional strategic value.

³¹ China also occupied the Spratly Islands, establishing a permanent base there in 1987.

³² G.L. Lamborn, "U.S. must tell China 'Thus far and no further' in Senkakus Islands Dispute," 10 August 2020, AND Magazine (on-line). A PRC base in the Senkakus would be midway between Taiwan and U.S. forces in Okinawa.

³³ Frankopan, *op.cit.*, p. 194-195. He states that a bridge in Mahe built in summer 2018 with BRI funding billed as the "Gateway to Tomorrow" was criticized by a Maldivian official as how that country had "been burned." The PM of Tonga declared that his nation is suffering "debt distress." David Mwere, in Daily Nation, 20 December 2018, reported "China may take Mombasa port over 227 bn [Kenyan] Shilling debt."

Of special interest in regard to Chinese naval capabilities in the South China Sea and Indian Ocean is the formation since 2017 of “naval infantry” – a PRC marine corps. Grant Newsham and Jeremy Maxie note that formation of a People’s Liberation Army Marine Corps (PLAMC) permits China to project “hard power” in Southeast Asia, the Middle East, and eventually in Africa. Such a marine force would perform shore duty securing Chinese naval facilities like those at Gwadar and Djibouti but would also constitute a seaborne amphibious force. This amphibious force could be put ashore in response to a crisis or landed against armed opposition as the need should arise.³⁴

The PLAMC has already deployed to various locations in the East and South China seas. Of greater importance is the fact that it has conducted joint exercises with Russia’s 12,500-member naval infantry.³⁵ Should the Russian and Chinese amphibious forces act jointly they would constitute a serious threat to any “Rimland” area from the Red Sea to the Sea of Okhotsk. The two forces are capable of amphibious landings, seizures of ports and harbors, and support of China’s (or Russia’s) sea forces.³⁶ Likely areas for such operations would be the straits of Malacca or those of Hormuz and the Red Sea.

China’s avowed goal is to build a “blue water fleet” that could operate globally in all situations. It is clear to Beijing that seapower is a vital element of national strategy. Retired Admiral Xu Guangyu had this to say about China’s naval aims: *“There is no need to hide the ambition of the PLA Navy. Its purpose is to gain [the] ability like the U.S. Navy so that it can conduct operations globally.”* Xu added, *“More overseas logistic bases will be built in the future to assist the PLA Navy to conduct operations globally.”*³⁷

The Darker Side of Beijing’s global strategy

China’s re-orientation of its priorities from promoting world revolution in the 1960s to a sharp focus on promoting internal economic growth in the 1980s spawned a dark side. In its quest for ultra-rapid modernization China uses three basic approaches that might be styled “buy, borrow, or steal” what it wants. The means used to acquire what is needed is of little consequence to Beijing so long as the desired end is attained. The target of these operations is the First World – mainly the U.S. and Europe.

As mentioned, China’s outreach in 1979 was modest and limited. Deng Xiaoping sought partnership with foreign firms committed to bringing capital and technology to China, employing and training Chinese workers -- both managers and staff, and then re-exporting whatever was manufactured to earn foreign exchange. Beijing’s general approach was to offer a foreign corporation an appropriate location for building its plant and then provide abundant disciplined and very cheap labor. Deng also guaranteed no Party interference in the management or operation of the foreign enterprise.

The understanding, of course, was that the “foreign guest” would use Chinese workers (and some managers and technical people) and, after a certain period, turn the facility over to Chinese control. In

³⁴ Jeremy Maxie and Grant Newsham, “The Muscle Behind China’s New Silk Road is Over the Horizon,” 26 June 2017; [CSIS/Reconnecting Asia](#).

³⁵ The Russian naval infantry, known by its *nom d’guerre* as “The Black Death” from World War II, participated in Russia’s conquest of Crimea in 2014. It is a formidable force.

³⁶ Maxie and Newsham, *op.cit.*

³⁷ Frankopan, *op.cit.*, p. 104, citing a 12 February 2012 report in [Global Times](#).

effect, co-production schemes constituted “borrowing” foreign expertise, as the “guest” could make substantial profits and recoup its Chinese investment during the ten or fifteen years of its special status. But in the end, China would gain technical expertise, cash, and often the facilities themselves.

China was able to entice American manufacturers to outsource their work, thereby enabling them to avoid higher domestic labor costs and U.S. regulatory practices relating to working conditions, safety, and wages. Dozens of U.S. corporations opened plants in China or ordered parts and finished goods from China to the delight of management and shareholders. The “Made in China” label was ubiquitous.

Early on, Apple, for instance, made many of its most sophisticated electronics domestically. Then in 1992, it closed a state-of-the-art plant for motherboard and computer assembly in Fremont, Calif., and sent much of that work overseas.³⁸

Where possible, China also would purchase technology, equipment, and expertise when the opportunity presented itself. In the early 1980s, when foreign exchange for this purpose was relatively scarce, purchases had to be selective – and of critical importance to China’s economy. Assistance came from a group of wealthy banks and brokerage firms, many headquartered in New York and London. These banks and investment houses were happy to lend to China, and many still have very considerable exposure to the Chinese financial system. If that system fails, some institutions could lose billions.

The [U.S.] finance sector - the big banks, hedge funds and investment vehicles - is thus in the centre of the map of power in the US, and occupying pride of place is Goldman Sachs. No organization has been more important to the CCP’s campaign to penetrate US elites, or more willing. For the CCP, titans of finance are easy targets, as there’s a concordance of interests. Wall Street executives, anticipating an Eldorado when Beijing opens up its vast finance markets to foreigners, have been advising Chinese companies about which American companies to buy and lending them the money to do it, taking a cut from the sales. In the words of a senior White House official, *“people who like making deals really like the Chinese Communist Party.”*

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By 2003 Goldman Sachs “had become the lead underwriter for major Chinese state-owned companies.” In 2006 Henry Paulson moved from CEO of Goldman Sachs to Treasury secretary under George W. Bush, taking with him one of the best contact books on the Chinese elite. Paulson had visited the country some seventy times. He asked the president if he could take charge of America’s China economic policy and Bush agreed.³⁹

Now that China has earned enormous sums of hard currency from its exports, it can buy whatever it wants – pretty much whenever it wants to do so. Economic downturns in the West present great buying

³⁸ Jordan Robinson and Michael Riley, “The Big Hack: How China Used a Tiny Chip to Infiltrate U.S. Companies,” [Bloomberg Businessweek](#), 4 October 2018

³⁹ Clive Hamilton and Mareike Ohlberg, “Bulls in a China shop: How Beijing cultivated Wall Street’s giants,” 13 June 2020” extracted from their book. <https://www.smh.com.au/world/asia/bulls-in-a-china-shop-how-beijing-cultivated-wall-street-s-giants-20200610-p5514i.html>. This article, and its companion piece by Barboza, should be read in their entirety to fully comprehend the nature and depth of corruption in the PRC, and the complicity of American corporations in that corruption.

opportunities for such acquisitions. China now owns, or has a shareholder interest in dozens of U.S. and European companies, including several which are involved in defense-related work.

One example of a legal Chinese acquisition of a major U.S. company is the purchase of Motorola by Lenovo – known in China as “Lian Xiang” – from Google in 2014. Founded in Chicago in 1928 by the Galvin brothers, Motorola achieved fame and market share manufacturing communications gear, much of which was purchased by the Defense Department and other parts of the U.S. Government.

The cyber-giant Google purchased Motorola in 2011 primarily to get hold of the company’s many patents. In turn, Google sold Motorola – with some, but not all patents -- to Lenovo in October 2014 for almost \$3 billion. Since that time, Lenovo has moved all of Motorola’s production to China, though keeping open the Chicago office, probably for “appearances sake.”

However, along with a number of Motorola’s patents and production expertise, Lenovo also acquired entry to the U.S. market for its smart phones and other electronic devices. Allegations of spyware placed in devices intended for the U.S. market by Lenovo and ZTE resulted in lawsuits in 2018.

According to a note in Wikipedia, Lenovo settled with the Federal Trade Commission and 32 states for \$3.5 million. Allegedly “*Lenovo preloaded the bloatware [known as Superfish] on some of its consumer notebooks...*”⁴⁰ The “bloatware” compromised the security of certain Lenovo devices.

However, China is so anxious to achieve its economic development goals – with the political goal in view of surpassing the United States – that it does not hesitate to engage in wide-scale industrial espionage, theft of trade secrets and technology, and acquisition by shady means of foreign technology in order to enhance its production capabilities.

A case in point involving classic espionage is the conviction of Chinese engineer Tan Hongjin for stealing the amazing sum of \$1 billion in trade secrets from an Oklahoma company.⁴¹ In December 2018 the U.S. Department of Justice announced Tan’s arrest, accused of illegally downloading to a personal device “more than \$1 billion” in trade secrets from Oklahoma’s Phillips 66 company and passing the material to a “Chinese company” which allegedly offered Tan a job. DOJ stated that Tan, a Ph.D. from California Institute of Technology who had been in the U.S. about twelve years, had stolen “hundreds of company files which included intellectual property” relating to proprietary technology.⁴²

However, China increasingly relies on electronic espionage to get what it wants. China has a number of state-owned telecom companies, among which are China Mobile, China Unicom, and China Telecom. These cooperate fully with the PRC’s intelligence and security organs. As is well known, China has imposed blockages of certain types of information carried by Western companies such as Google,

⁴⁰ Accessed on Wikipedia; using search of “Motorola/Lenovo.”

⁴¹ Bret Stephens, “Beijing grows more brazen at home, abroad,” *New York Times*, 29 July 2020.

⁴² *Energy Daily*, “US Charges Chinese national for stealing energy company secrets,” 21 December 2018 (AFP) See also the FBI report <https://www.fbi.gov/news/stories/scientist-sentenced-for-theft-of-trade-secrets-052720> and WSJ: <https://www.wsj.com/articles/chinese-national-sentenced-to-prison-in-1-billion-trade-secret-theft-case-11582839551>. Tan had been working in place from June 2017 until his December 2018 arrest.

Facebook, and Twitter.⁴³ Information reaching the Chinese public is carefully filtered by Beijing. But in addition to “defensive” measures against outside information, China’s electronics sector also has a powerful “offensive” capability – one that reaches into some of the West’s most sensitive entities.

Standing at the head of China’s telecom companies is the ostensibly privately-held telecommunications company, Huawei, the world’s largest telecom company with annual revenues in excess of \$120 billion. According to journalist Eren Ersozoglul, Huawei leads its western competitors in artificial intelligence (AI) and is a world leader in the development of advanced surveillance technology. Ersozoglul states that Huawei’s “Safe City Initiative” technology, installed in many of China’s cities, and extensively used in Xinjiang to control the Uyghur people of that province, uses facial recognition and other sophisticated biometrics to monitor the movement of thousands of Chinese citizens.⁴⁴

The “Safe City” technology has been exported abroad, notably to Africa, where it enables local security organizations to keep track of their citizens. Ostensibly to reduce crime, “Safe City” is being used in at least nine African countries, including Kenya, Uganda, Nigeria, Zambia, and South Africa. Many critics, however, blame Huawei of enabling repressive governments to track their political opponents.⁴⁵

Ersozoglul reports that despite U.S. attempts to dissuade African governments from using Huawei technology, Huawei’s 5G network is already installed in South Africa. Moreover, Kenya’s Safaricom is preparing to award Huawei a contract to install 5G in that country. Not least, as a part of the Belt and Road Initiative, Huawei plans to lay a 12,000 kilometer undersea cable connecting Asia to Africa.⁴⁶

Beyond its demonstrated ability to conduct sophisticated surveillance using AI technology, Huawei stands accused by the United States, Great Britain, Australia, and other countries of conducting espionage on behalf of the Chinese intelligence service. For example, evidence compiled for the Australian government concludes that Huawei attempted to penetrate Papua New Guinea’s governmental data system in order to clandestinely retrieve official governmental data.

In 2015 Amazon noticed some suspicious anomalies with its servers purchased from a subcontractor in San Francisco which, in turn, had outsourced manufacture to Huawei and ZTE in China. Amazon quietly alerted U.S. officials who carefully inspected all parts of the server including the “motherboard” which governs the operation of the computer. *“Nested on the servers’ motherboards, the testers found a tiny microchip, not much bigger than a grain of rice, that wasn’t part of the boards’ original design.”* This

⁴³ Frankopan, op.cit., p.. 23.

⁴⁴ Eren Ersozoglul, “Huawei and the Chinese Surveillance Network in Africa,” [Gray Dynamics](#), 28 May 2020. Ersozoglul states that Chinese law requires Huawei to cooperate with Chinese intelligence. Ersozoglul further notes that for the fourth year in a row (2019) China was cited as “worst abuser of internet freedoms.” Reportedly more than 1.5 million Muslim Uyghurs are in PRC internment camps; thousands more are subject to surveillance.

⁴⁵ Joe Parkinson, Nicholas Bariyo, Josh Chin, “Huawei Technicians Helped African Governments Spy on Political Opponents,” [Wall Street Journal](#), 15 August 2020.

⁴⁶ Ersozoglul, op.cit.

very tiny device allowed unauthorized access to the computer's information by permitting hackers to bypass security features and to reach supposedly protected information.⁴⁷

During the ensuing top-secret probe, which remains open more than three years later, investigators determined that the chips allowed the attackers to create a stealth doorway into any network that included the altered machines.⁴⁸

Subsequent investigation revealed that at least thirty other companies had purchased the same or similar servers from the same distributor in San Francisco. Apple, Inc., had purchased 7,000 servers which were deployed in cities such as Singapore, Amsterdam, New York, Hong Kong, and Tokyo.

U.S. officials had caught China experimenting with hardware tampering before, but they'd never seen anything of this scale and ambition. The security of the global technology supply chain had been compromised, even if consumers and most companies didn't know it yet. What remained for investigators to learn was how the attackers had so thoroughly infiltrated Supermicro's production process – and how many doors they'd opened into American targets.⁴⁹

China reportedly makes 75% of the world's mobile phones and nearly 90% of its personal computers. It is therefore impossible to ascertain how many of these devices have been modified with "back doors" to make it possible for Chinese intelligence to monitor exchanges of data, and to tap – or modify – that data as it sees fit. Because Huawei and its associates are willing to sell their equipment at favorable prices (perhaps below market price in some cases) it is likely that many governments and companies in Third World lands own Chinese-manufactured computer equipment. As noted by a U.S. security official, *"China's goal was long-term access to high-value corporate secrets and sensitive government networks."*⁵⁰

Peter Frankopan estimates that Chinese theft of American intellectual property inflicts losses of at least \$225 billion *per year* and possibly more.⁵¹

These concerns are magnified by the large-scale theft of intellectual property (IP) by China and others, which one influential report claimed came at a cost of some \$225-\$600bn per year to the U.S. economy. According to a different study, Chinese cyberattacks have focused on "massive theft of information and intellectual property to increase China's economic competitiveness and accelerate its efforts to dominate world markets in key advanced technologies."

⁴⁷ Jordan Robinson and Michael Riley, "The Big Hack: How China Used a Tiny Chip to Infiltrate U.S. Companies," Bloomberg Businessweek, 4 October 2018.

⁴⁸ Ibid. Reportedly, many compromised servers were installed in sensitive U.S. Government departments.

⁴⁹ Jordan Robinson and Michael Riley, "The Big Hack, How China Used a Tiny Chip to infiltrate U.S. companies," Bloomberg Businessweek, 4 October 2018. Supermicro is/was a San Francisco supplier headed by Charles Liang, a Taiwanese-born engineer who outsourced the motherboards to Huawei and ZTE.

⁵⁰ Robinson and Riley, *op.cit.*

⁵¹ Frankopan, *op.cit.*, p.108. He cites the Commission on the Theft of American Intellectual Property, "Update to the IP Commission Report. The Theft of American Intellectual Property: Reassessments of the Challenge and United States Policy," February 2017, and Robert Sutter, "China-Russia Relations: Strategic Implications and US Policy Options," National Bureau of Asian Research, September 2018.

Theft of American intellectual property had become so extensive and so obvious that eventually the White House was called upon to intercede with the Chinese government on the matter. Presidents Obama and Xi met at the White House in September 2015 to sign an agreement in which China pledged to investigate allegations of hacking. Despite this agreement, doubts remain because China remains the world's premier supplier of high technology instruments and components.⁵²

The Role of Corruption in China's BRI and economic advances

Very soon after the inauguration of the Four Modernizations, Beijing's penetration of Corporate America began at the top: Wall Street. China's approach is multi-layered. It holds out the prospect of the "China market" – theoretically more than a billion "customers" which, of course, greatly appeals to U.S. companies interested in selling to such a huge market. Firms like McDonald's and Starbucks are drawn to such lures like moths to a flame. Second, as previously mentioned, Beijing can stoke the greed of U.S. manufacturers by offering lower production costs due to low labor costs and little regulatory oversight. And third, Beijing holds out the prospect of profits from brokering major financial deals such as arranging hard currency loans, for which the broker receives a sizable commission. Goldman Sachs has made hundreds of millions of dollars in this way.

One highly interesting aspect of China's dealings with the West is the increasing prominence of what Yugoslav Marxist Milovan Djilas once described as the "New Class."⁵³ Since about 2000 the children of the Chinese Communist Party elite have emerged as a "new class" of wealth, power, and *guanxi* (access to key government and business figures through their family connections.)

An unusual insight into how this works was provided by an inquiry by the US Securities and Exchange Commission in 2016, which led to JP Morgan paying \$264 million for violating the Foreign Corrupt Practices Act. JP Morgan had been caught hiring Chinese princelings to win business, something the commission described as "systematic bribery". The company operated what it called the Sons and Daughters Program, which provided dozens of jobs in Hong Kong, Shanghai and New York to children of the Party elite.⁵⁴

An example of this brand of corruption was JPMorgan Chase's hiring of "Lily Chang" who ran an obscure consulting firm. Ms. Chang, whose real name is Wen Ruchen, was paid the amazing sum of \$80,000 *per month* for her "services." Those services amounted to little more than facilitating personal access to Wen Jiabao, her father, who at the time was China's premier. Premier Wen had oversight over China's economy and financial institutions – a lucrative source of business for JPMorgan Chase.⁵⁵

⁵² Robinson and Riley, op.cit.

⁵³ Published in 1957, The New Class was a critique of the Communist system in Russia and Yugoslavia in which the Party elite (and relatives) enjoyed exceptional benefits by virtue of their monopoly of political power and access to State wealth and productive capacity. Here the analogy is being applied to China's "Red Aristocracy."

⁵⁴ Clive Hamilton and Mareike Ohlberg, "Bulls in a China shop: How Beijing cultivated Wall Street's giants," 13 June 2020" extracted from their book. <https://www.smh.com.au/world/asia/bulls-in-a-china-shop-how-beijing-cultivated-wall-street-s-giants-20200610-p5514i.html>.

⁵⁵ David Barboza, "JPMorgan allegedly paid \$80,000 a month to Wen Jiabao's daughter," The Sydney Morning Herald, 15 November 2013.

The extent of corruption in the People's Republic of China and its governing Chinese Communist Party is easily the equal of the worst excesses of such elite families as the Soong family in the corrupt Nationalist government overthrown in 1949. Corruption reaches now, as it did then, to the highest levels in the Party and government.

What is relevant here about the Belt and Road Initiative is simply that American corporations have made available to China tens of billions of dollars which, in turn, have gone out to finance Beijing's projects for infrastructure development. American corporations also have wittingly or unwittingly (ie. theft) aided China's modernization of its science, technology, industry, and even its military forces. In a sense, the U.S. has been a motive force, if not the motive force, driving China's Four Modernizations.

An introduction to Wei-ch'i– its strategy and concepts

Wei-ch'i is an ancient Chinese game of strategy believed to have originated in the Warring States period of Chinese history – roughly the time of Confucius – the fifth century BCE.⁵⁶ It is believed to be the oldest game of strategy still played basically as it was originally conceived.

Deceptively simple in concept, wei-ch'i is highly sophisticated in its theory and strategy. Known as Go in Japan and Baduk in Korea, wei-ch'i is the East Asian equivalent of chess in the West.

Although both games have been used to train players to think strategically, chess and wei-ch'i are fundamentally different in a variety of ways. Similarly, each game is played on empty boards – chess on a board of 64 squares and wei-ch'i on a far larger board of 361 intersections created by 19 rows of 19 lines. But there the parallels end. The playing pieces are different, the moves are different, the objects of the two games are different, and of greatest importance, the thought processes and strategy used in each game are nearly poles apart.

For example, chess opponents face each other in a linear fashion with their opposing "armies" arrayed to move "forward" to engage the "enemy" with intent to overwhelm and destroy the opposing force -- almost from the first move. Destruction of the opposing armed force – a Clausewitzian concept central in Western military and political thinking – is the goal in chess. The game ends when the king is trapped – "shah mat" – the "king is dead." Checkmate.

Not so in wei-ch'i. Opponents may not even come in contact with each other until relatively late in the game. To those unfamiliar with the game, opening moves by each side may appear random, haphazard, even formless. What observers see is the placement of a stone here, another there, and a third stone in yet another place. There is no "front," no "rear," and certainly no "us-them" line of confrontation.

Wei-ch'i also differs radically from chess in that its goal is not to destroy one's opponent, *but to encircle and envelope him in ways that prevent him from maneuvering freely*. By so doing, the better player limits his opponent's ability to capture "territory" on the playing board. Only rarely is it necessary – or

⁵⁶ Jamie R. Schwandt, in his fine article "Uncovering Hidden Patterns of Thought in War," claims that wei-ch'i [Go] is mentioned in Lady Murasaki's masterpiece, "The Tale of Genji" written about AD 1000. His article should be read by all who have an interest in comparative military strategies. www.armyupress

even possible --for a player to surround and capture an opposing tile. What matters is not destroying the opposing force but dominating the "space" or "territory" of the board itself.

In chess, pieces have different values and patterns of movement. The queen is the most powerful piece, but the bishops and rooks also can move the length of the board along their prescribed paths. They may move forward or backward as required. Knights may strike at an "oblique" angle. Capture of "territory" on the chess board is irrelevant; rather, each move is made to bring about capture of opposing pieces.

By contrast, all the "stones" or playing tiles in wei-ch'i are exactly the same. They differ only in color (either white or black) and, once placed, may not be moved (unless "captured" and removed by the adversary.) But as mentioned, capture of an opponent's tiles is not the point. Indeed, in many cases, a skilled player will merely cordon off a group of his opponent's tiles and leave them in place (they are then rendered useless) since his goal is to gain further "space" advantages elsewhere on the board. There is no need to physically eliminate his opponent's tiles.

Both chess and wei-ch'i require players to think several moves ahead. It is said that chess Grandmasters can think dozens of moves ahead, shaping their moves of bishops and pawns to anticipate their opponent's likely future moves. Thinking many moves ahead is also true of wei-ch'i masters. However, since the wei-ch'i master is not concerned with destroying the opposing "army," *he thinks about gaining such dominance over "territory" by the placement of his stones so that his opponent will find himself circumscribed into an ever-shrinking portion of the board.* Play by play, the weaker player finds his options for maneuver limited.

Another striking difference between the two games is the relative importance of early tactical successes in chess – and the general irrelevance of such early tactical success (or loss) in wei-ch'i. In chess, a player's blunder could enable his opponent to capture a key piece – say, a bishop, rook, or even the queen. Should such a loss occur, and assuming that the player making the capture does not commit blunders of his own, he will probably go on to ultimate victory by checkmating the loser.

In wei-ch'i a tactical "loss" is of much less consequence since a player is seeking to dominate the board rather than destroy his opponent. Indeed, a skillful player may sometimes sacrifice a group of his tiles in one part of the board with the express intention of playing for territorial advantages elsewhere. Here again, the object is securing "territory" while hindering his opponent's ability to maneuver.

In his fine book, Scott Boorman makes a key observation concerning the strategic or long term thinking required of a wei-ch'i master.

Conversely, only a wei-ch'i strategy which takes into consideration the long-term outcomes of all the tactical combats on the board can ensure wei-ch'i victory, *since a policy oriented toward local success often leads to a strategic debacle.*⁵⁷

⁵⁷ Scott A. Boorman, The protracted game: a wei-chi interpretation of maoist revolutionary strategy, p. 23

With a brief introduction to wei-ch'i now in hand, we must apply that paradigm to what we observe in China's current Belt and Road Initiative and its effort to encircle Asia (and parts of the rest of the world.)

Applying w ei-ch'i analysis to China's Belt and Road Strategy

An argument can be made that, whereas Chairman Mao used a wei-ch'i strategy in conducting his war against the Japanese and later the Nationalist Chinese, President Xi is using much the same strategic model as he goes about expanding China's influence internally and abroad.

A sophisticated global game of wei-ch'i is being played at several different levels. Certainly territory is part of the game as we see in Asia and Africa. *But China's wei-ch'i encirclement of the West aims at attaining military and diplomatic dominance, financial power, and even technological supremacy.* Each of these high-stakes games of wei-ch'i is closely linked with all others.

As applied to China's global strategy, the wei-ch'i model is certainly appropriate in understanding how China enlists the support, or at least the enforced cooperation of states in Central Asia, South Asia, Africa, and Southeast Asia. While China's moves and deals may seem random, the way in which BRI projects are developed systematically marginalizes (or excludes) Western – and in particular American – influence from many of these lands. As we've seen in sub-Saharan Africa, China is substituting its own financial or technological power and easing out all others. This is analogous to putting down tiles in chosen spots with the intention of drawing together groups of tiles at a later stage of the game.

Where a geographical impediment to China's military and diplomatic aim is encountered – India comes readily to mind – China has been careful to avoid outright confrontation, but instead has followed a policy of encirclement. China's economic and military ties with Pakistan, Sri Lanka, and to some extent with Myanmar (Burma) and the Maldives effectively puts India "out of play" as that nation finds itself strategically "boxed in" by the Chinese navy and various BRI programs.

Taiwan and Japan are in similar circumstances. China has quietly, but methodically replaced Taiwan's diplomatic ties with its own in a number of countries. Most recently this activity has involved Central America and the Caribbean. Aiding this effort, of course, is the promise of economic aid and trading privileges. Although Latin America is very distant from Beijing, as a skilled player of wei-ch'i, China judges that a few tiles played close to its main adversary could be useful some day.

Militarily, Taiwan will be surrounded should Beijing gain control of the southern Senkakus and cut off any possibility of American security assistance from U.S. bases on Okinawa. An encirclement of Taiwan will cripple morale on the island, isolate it militarily, and render it vulnerable to "capture."

Japan is in danger of being "encircled" economically and politically as China attempts to woo many Japanese corporations and business elites with lucrative deals. The object is to undercut Japanese willingness to follow U.S. guidance in foreign policy and military affairs. Beijing would like nothing better than to see Japan distance itself from the United States – perhaps even joining China in the BRI.

China has effectively encircled and “captured” Iran, in large part due to American moves to isolate that country. With Iran firmly in China’s orbit, China is in position to make its influence felt with Iran’s neighbors in Central and South Asia, the Persian Gulf, and with Iran’s fellow Shi’ite believers elsewhere.

The majority of sub-Saharan African countries are clear targets of what amounts to a new form of economic imperialism. The “debt trap” and direct or indirect Chinese control over valuable assets, to include ports, utilities, radio stations, and rail systems, gives Beijing a tight grip on at least a dozen African states. Thanks to the installation of Huawei and ZTE equipment, Beijing now has the ability to read sensitive government information in half a dozen African capitals. This adds to its political and diplomatic leverage. In effect, Beijing has replaced London and Paris as Black Africa’s arbiter while reducing or eliminating most “outside” interference.

Moves into the Pacific and Latin America – clearly on Beijing’s drawing board – offer new opportunities to outflank the U.S. almost in its own back yard. PRC diplomatic relationships, especially if coupled with naval bases in selected island nations, will weaken the U.S. strategic position in the Pacific.

In the larger sense, China’s BRI – in cooperation with Russia – has enabled it to reduce Western influence in the entire Asian landmass to a few toeholds. Mackinder and Spykman have become something of an anachronism with the marriage of “Heart” to “Rim.”

Africa is becoming something akin to a Chinese economic colony. China can depend upon Nigeria and Angola for much of its oil. It can draw upon copper from Zambia and rare earths much-needed in China’s high-technology industries, especially as Beijing makes further progress in artificial intelligence. Control over ports, utilities, and ownership of various enterprises in African capitals such as Nairobi and Lusaka give Beijing both sources of income and considerable political leverage.

And even Europe, Australia, and the Americas are “intersections on China’s wei-ch’i board” where Beijing is carefully placing its political and economic “tiles” against the day when it can claim primacy in these areas as it presently can do in Central Asia and Black Africa.

At the highest level of “play,” Beijing is seeking to encircle the United States itself through an application of wei-ch’i strategy in the technological realm. Here China does not seek confrontation but the ability to surround and absorb American technical know-how -- by fair means or foul. Adding American technical knowledge to its own already-impressive and growing technical base, China aims at beating America commercially and technically “at its own game.” If and when China achieves this “encirclement,” it will then displace the U.S. as the world’s pre-eminent economic and technological power. This would be the “ultimate encirclement” with the People’s Republic of China eventually acknowledged as being the new global hegemon – the End Game.

In this game ending, America would be limited geographically to North America and adjacent waters, the *renminbi* (yuan) would become the world’s new reserve currency, and China’s military, diplomatic, and economic power would be paramount elsewhere in the world. Chinese technological supremacy would make this possible.

While the foregoing outcome is admittedly speculative, it is nonetheless clear what many of China's long term objectives are. China's military officials have made no secret of their aims. The pattern of human and technical espionage shows a clear, systematic effort at strengthening China while weakening the United States. Financial imperialism – indirectly aided by firms like Goldman Sachs -- is in the process of subverting "national sovereignty" in many countries. Placement of bases, forces, and BRI projects in key locations points toward regional hegemony. We may speculate, therefore, on how events might develop if these courses remain unchanged.

But is another outcome to this game possible?

We now understand (at least to some degree) what is taking place in the world. With that knowledge in hand we have speculated on *what might be* should China continue on its path of internal development, of which the Belt and Road Initiative is both a consequence and an extension.

But might the future be different? As China develops, and as it reaches beyond its borders, its very activities – and progress – are bringing about changes beyond those intended solely by the Party.

When Deng Xiaoping emerged from political oblivion in 1979 he made it clear that China was to learn from more advanced countries such as the United States, Japan, and the European nations what it needed to know in order to modernize. No longer was the "capitalist world" to be reviled and shunned.

The Four Modernizations had as its goal to absorb technical expertise wherever found, and that meant making China habitable for foreign entities to build factories on Chinese soil, to enter into co-production agreements, to invite foreign experts to come to China to teach and share their expertise, and open the country – at least slightly – to foreign ideas. *Inevitably, the "opening" for foreign ideas extended well beyond the merely industrial and technical topics intended. Fluency in the English language, required to study modern technology, also opens a door to the culture and values of the West.*

Deng's approach mirrors to some extent the path to modernization undertaken by the Japanese under the Emperor Meiji after the Restoration of 1868. Prior to the Meiji Restoration Japan was basically closed to foreigners with the exception of a small Dutch trading post at Nagasaki and the limited "opening" effected by American Commodore Matthew C. Perry in 1853.

However, from about 1870 onward Japan sent hundreds of students abroad, purchased machinery abroad, set up European-style factories, and strove to modernize industry and the military. It invited foreign experts to come to Japan to teach and train those who would modernize the country. The last of the traditional samurai were defeated in 1877 and within a quarter century Japan's army and navy had become the best forces in Asia. Not least, Japan's rapid industrialization made possible the export of Japanese products not only throughout Asia, but to North America and Europe. But while Japan was gaining expertise from foreign experts at home and abroad, certain changes were taking place in Japanese society as students returned from overseas universities and factories. Western ideals now mixed – and collided – with traditional religious and militaristic strains in Japanese culture.

At this same time as Japan was rapidly modernizing, China under the later Ch'ing dynasty rulers stagnated. The classic example of Ch'ing myopia was the Empress Dowager's decision in 1888 to divert the monies designated for modernization of the Chinese navy. She felt that the money would be better used rebuilding the Ch'ien Lung Emperor's boat of marble that would grace the lake by the Summer Palace in Beijing. The "marble boat" remains anchored at its station to this day. But in 1894 China's naval and military unpreparedness resulted in a stinging defeat at the hands of the Japanese. This lesson was not lost on the founders of both the Nationalist and Communist parties.

Like Mao Zedong before him, Deng was well aware of China's weakness due to its regressive policies in the late Ch'ing dynasty and the country's inability to modernize due to warlord violence and foreign invasion. He and Mao both were committed to building a "new China." But the two men differed sharply in their approach to that end. As noted earlier, Mao believed that agricultural collectivization and a Soviet-style approach to industrialization as was followed in Stalin's Russia would achieve his goal. From 1950 to 1960 China turned to Russia for its teachers and experts; however, this proved a dead end.

Also as noted, Deng believed the answer lay in removing political meddling from capital formation and allowing native enterprise and western investment to bring about the desired changes. As Tom Scovel notes, 1979 was the year of change. Each approach, however, had its social costs.

Mao's approach of forced collectivization and class warfare resulted in the execution or exile of tens of thousands of Chinese – many of whom were educated and valuable members of society. The social dislocation of the Great Leap Forward and the Cultural Revolution was easily as high a price paid by average Chinese as was Stalin's forced modernization of Soviet Russia in the 1930s. Arguably the memory of this terrible period is fading from the popular mind since only about 18% of China's population is age 60 or older and would remember Cultural Revolution violence. (But this age group would include many intellectuals and some senior CCP members.)

What is statistically important, however, is the fact that 64% of China's population is between ages 16 and 59.⁵⁸ Many thousands of this group (of perhaps more than 1.1 billion people) has clear memory of the bloody suppression of the "pro-democracy" movement in 1989. Many are aware of Party repression in the years following the Tiananmen incident.⁵⁹ And not a few are aware of the growing corruption in the upper levels of the Party and government, including the opulent lifestyles of the elite.

⁵⁸ Statistics were taken from www.statista.com (on-line)

⁵⁹The 1989 "pro-democracy" movement in Beijing's Tiananmen Square was a direct social consequence of the Four Modernizations. This movement was sparked by a seeming relaxation of political controls under Premier Hu Yaobang – a Party official very popular with students and intellectuals. However, with Hu's untimely death many of the reforms were reversed by Li Peng causing tens of thousands of students to occupy Tiananmen Square peacefully to request a more open political system.

The demonstrations lasted from April through June and eventually attracted support from Beijing workers and tradesmen who supported the students. At length, Deng and Li, along with Jiang Zemin, decided that the demonstrations threatened the Party's tight control of the government. They were well aware of the direction that the Glasnost and Perestroika reforms were taking under Mikhail Gorbachev. So, the Party leaders ordered an estimated 300,000 PLA soldiers to intervene with force and put down what they falsely described as an "armed revolt." The tanks rolled into Tiananmen and student lives were lost. Others were later jailed or executed.

Most recently, the release of the deadly Coronavirus, and widespread public knowledge of the Party's attempted muzzling of Dr. Li Wenliang – now viewed as a martyr – has almost certainly undermined confidence in the Party. China's COVID suffering has raised doubts about the competence and motives of the Communist Party. Broader questions of corruption, incompetence, repression, and lack of solicitude for the people may perhaps contribute to growing public distrust of the Chinese Communist Party and the PRC government.

Although Deng's path to modernization has had far less human cost than Mao's Cultural Revolution, its suppression of basic rights nevertheless has had a subtle social impact. Ironically, this is due to the fact that the Four Modernizations has created a large middle class. That body of 800 million now living in China's cities desires social stability and continued economic advantage. The China created by Deng is now a country increasingly dependent upon manufacturing and exporting a variety of goods to its customers. The problem, however, is that despite Beijing's former "one child" policy, the country's population continues to grow – as former President Hu Jintao observed.

Former President Hu once was asked what worried him. Hu's response was "*finding 15 million new jobs each year*" for the burgeoning population. Prior to Deng's transformation, any increases of population could be absorbed by the peasant agricultural economy. But now, much of the growth is in China's cities where employment depends heavily upon China's ability to make and export products foreign nations wish to buy. Simply stated, Mao's China could afford to be independent of the world economy because it chose to be poor; Deng's China must be part of a globalized economy because he has made the Chinese people relatively wealthy.⁶⁰ Deng's China is therefore vulnerable to market pressures and the global economy of which it is a major part.

Perhaps more than any other internal force, it is the transformation of China from a peasant agrarian society to a global manufacturing and exporting power that brought about the new imperialism of Deng's most recent successor, Xi Jinping. Here again the historical parallel with Japan's expansion in search of raw materials and markets strikes an eerie chord.

What has gone practically unnoticed in the West is the partial change from peasant political views to those of an urban middle class. The peasantry tended to support CCP policies unquestioningly so long as those policies seemed to meet peasant aspirations and agrarian needs. But the new middle class is increasingly politically aware and, despite pervasive censorship and internal controls over information from abroad (or even news circulated within China) the educated citizen is not completely isolated from events and trends in other countries. It is probable that Chinese sent abroad either as contractors, or especially as students, return to China with information and views that do not necessarily coincide with

The British ambassador, Alan Donald, sent a secret telegram on 5 June 1989 to the Foreign Ministry giving details of the suppression of the "pro-democracy" movement which contained the phrase "minimum estimate of civilian dead 10,000." The cable was declassified in 2017. (Reported by the BBC, Deutsche Welle, and Agence France Press.)

⁶⁰The Party promotes a catchy slogan running something like this: "*Mao Zedong made us proud; Deng Xiaoping made us wealthy; Xi Jinping is making us powerful.*"

the official views of the Party Central Committee. And it is still possible for the technically gifted to listen to foreign broadcasts or outwit Huawei's "electronic great wall" to obtain news from abroad.

Thirty years have passed since the "pro-democracy" demonstrations. There are now tens of thousands of Chinese who have been educated – many thousands who have been exposed to western ideals of limited, participatory government and protection of individual rights. How deeply those impressions may be ingrained is open to question. Many returnees may be content with the Chinese status quo.

But others may not be. Dr. Sun Yatsen was himself a product of an American education. Others who led the Nationalist and Communist revolutionary movements studied abroad – England, France, Germany – and returned to China bringing new values and ideas. Although three decades of isolation reduced this inflow, in 1979 foreign contact was resumed and has had more than forty years to create a rising technical elite that had never before existed in China. This "second tier" of society – the educated middle class -- has little political power at present. But it may not be quite so willing to follow the Party's Line as was the peasantry two generations ago.

The question then becomes one of timing and opportunity. To maintain itself in power, the Chinese Communist Party must find new ways of satisfying – or at least co-opting – China's rising middle class, and especially its foreign-educated intellectuals. It can bring these individuals into the Party, or it can attempt to exclude them from any chance of political power. Each course has a danger.

The Party has undergone many transformations since its foundation a century ago. The pro-Soviet Party of Comintern days became the Maoist agrarian-based Party at Zunyi in 1935. The Party was further modified by its experiences during the Long March, the anti-Japanese war, and the completion of the Revolution in 1949. Since Liberation, the Party has moved far from its original peasant base. As the Party changes its leadership and cadres so, too, do its policies. Attempts at reform under Hu Yaobang and Zhao Ziyang failed in the 1980s, but is it possible that others within the Party may try to "put a human face" on Communism?

But another course is possible. As in eastern Europe, reformist movements sprang up *outside* the Party in Poland and Czechoslovakia. Is this possible in People's China despite pervasive electronic surveillance and a security system that dwarfs even the old East German Stasi?

Either way, it would seem likely that the China of 2030 could be quite different from the country as it existed upon the centennial of the Party's founding in 1921.

Impact of the BRI at Home and Abroad

As for the Belt and Road Initiative, it should be noted that a few faint voices, especially in academe, have been raised against the program.⁶¹ We may safely assume that many criticisms are muted by internal

⁶¹ In an essay astonishing for its boldness, Tsinghua University Professor Xu Zhangrun criticized both the sclerotic nature of the Communist Party and the Belt and Road Initiative. Prof. Xu noted that "civil society had not evolved for decades" and stated that China's financial and other resources were being squandered abroad. He called for a "clear vision for the nation's future." Frankopan, *op.cit.*, p. 212

security. But they exist. Much criticism is levied at the extravagance of the government in awarding projects abroad when – so the criticism goes – the funds and expertise could be put to better use at home. It is possible that many Chinese technicians at the working level are well aware that Party elites, and especially the “Sons and Daughters” of the “Red Aristocracy” earn fabulous sums in Beijing while those who labor in Africa or Central Asia are paid modest wages.

The Belt and Road Initiative also is having observable consequences, especially in Africa. In some of these lands it is possible to see the rise of “anti-colonial” elements who fear Chinese encroachment on their nations. Here again the resentments of local elites against the Chinese are remarkably similar to their grievances expressed half a century ago against their European colonial “overseers.” We have mentioned high-level criticism of the “debt traps” facing many countries. At the worker level, it is likely that many locals will come to resent the fact that they were passed over in favor of Chinese laborers. Unemployment is endemic in many Third World lands. Locals aware that the Chinese are earning wages – which they will take back to China while leaving their local counterparts jobless – may urge their national leaders to oust the Chinese and cancel BRI projects. The workers may ask, “why pursue projects that only benefit the foreigners?”

But even in countries that benefit from the BRI, the door will be opened to political and economic change that could in time change societies from Abuja to Astana. Although the role of such countries is to serve as suppliers of raw materials to China and to purchase Chinese-made goods, African and Asian nations will be more aware of events and trends around the world. In time, the glittering vision of building “gateways to tomorrow” will tarnish as hard reality sets in that in exchange for a new road or airport a nation has given up its freedom of action. It has succumbed to colonialism of a new type.

It is much too soon to predict the outcome of the Belt and Road Initiative -- China’s attempt at applying its wei-ch’i strategy to gain power and resources by projecting its economic and military power abroad. Much depends upon the actions of leaders in many countries, not just China. The outcome will be shaped by decisions made in many countries by bankers and businessmen, political parties, intellectuals and laborers, and above all by the citizens of China and dozens of countries affected by the BRI. All that can be said at this time is that we find ourselves in a crucial period of history in which decisions made today will have momentous consequences for how the world might appear more than a century since Sir Haldor and Professor Spykman offered their contrasting views on global strategy.

G.L. Lamborn
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26 January 2021

FURTHER READING

The major source for this paper is the book The New Silk Roads: The Present and Future of the World, by Professor Peter Frankopan, Oxford University. The book, published in March 2019 by Alfred A. Knopf, should be read cover to cover by anyone interested in modern China and the BRI. Prof. Frankopan's research is detailed, well documented, and exhaustive.

Two highly useful, indeed indispensable pieces of journalism bearing upon the subject are as follows:

"Bulls in a China shop: How Beijing cultivated Wall Street's giants" which is an excerpt from a book written by Professor Clive Hamilton and Mareike Ohlberg.

This article can be found at: <https://www.smh.com.au/world/asia/bulls-in-a-china-shop-how-beijing-cultivated-wall-street-s-giants-20200610-p5514i.html>

The book's title is: Hidden Hand: Exposing how the Chinese Communist Party is Reshaping the World, published in June 2020 by Hardie Grant Books. Prof. Hamilton teaches at the Charles Sturt University in Canberra, Australia.

"The Big Hack: How China used a tiny chip to infiltrate America's top companies" by investigative journalists Jordan Robinson and Michael Riley, Bloomberg Businessweek.

The article can be found at:

<https://www.bloomberg.com/news/features/2018-10-04/the-big-hack-how-china-used-a-tiny-chip-to-infiltrate-america-s-top-companies>

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