HWA CHONG INSTITUTION (HIGH SCHOOL SECTION)

HUMANITIES RESEARCH PAPER 2020

Topic: *Railpolitik*: An Analysis of the Impact of Railway Development in the Belt and Road Initiative on Sino-Eurasia Integration

Slant: History

Total Word Count: 5500 words

Student's (Official) Name: Aloysius Lee Seng Yang

Class: 4H1

Name of Teacher-Mentor: Mr Mervin Cohen

Declaration

I declare that this assignment is my own work and does not involve plagiarism or collusion. The sources of other people's work have been appropriately referenced, failing which I am willing to accept the necessary disciplinary action(s) to be taken against me.

Student's Signature:

Date of Submission: 12 / 8 / 2020

Acknowledgements

The writer would like to thank his teacher-mentor, Mr Mervin Cohen, and his expert mentor, Dr Wu Shang-Su, for their constant guidance and support throughout the writing of this paper. It was only through their efforts and contributions that this paper was able to be written.

The writer would also like to thank his family and friends for their support and commiseration in the course of the past year.

Abstract

This research paper seeks to analyse how Chinese railway development has impacted – and continues to impact – its economic integration and geopolitical influence in Eurasia. The Belt and Road Initiative proposes the creation of a Silk Road Economic Belt connecting China to the rest of Eurasia, mainly through railway development. Hence, a *Realpolitik* analysis of Chinese railway development in Eurasia is necessary to examine the potential politico-economic impacts of enshrining railway development as a key pillar of the initiative on China's attainment of its state interests in Eurasia.

Table of Contents

Chapter 1: Introduction

Chapter 1.1: Background

Under a period of rapid economic reform in 1978, China abandoned a primarily ideology-driven foreign policy in favour of a *Realpolitik*-guided one and opened up to the world. China saw international trade grow as its economic contacts increased. To encourage economic growth, China has sought to improve railway links with neighbouring countries since the 1980s. (Garver, 2006)

However, China now seeks further economic integration with the rest of Eurasia. In 2013, China unveiled the Belt and Road Initiative (BRI) – a global development strategy aiming to promote economic connectivity between countries in Afro-Eurasia. The Silk Road Economic Belt servers as the land route of the initiative.

Chapter 1.2: Rationale

China, a rising global power, has slowly been vying to increase economic cooperation with other countries to increase its geopolitical influence. This makes the BRI, as a politico-economic initiative looking for closer economic integration with these partners, worth examining.

Furthermore, the emphasis on rail transportation is worth examining. The fact that 90% of global trade is conducted via maritime trade, according to the International Chamber of Shipping, makes the BRI's emphasis on railway development worth examining. Hence, a *Realpolitik* analysis of Chinese railway projects with countries in Eurasia beginning in the 1990s is necessary to estimate the potential politico-economic impacts railway development in the BRI might bring for Sino-Eurasia relations as it achieves China's state interests.

Chapter 1.3: Research Questions

1. To what extent has Chinese railway construction and joint railway projects with countries across Eurasia between 1978 and 2013 fostered economic integration between China and the rest of Eurasia?

2. Through an analysis of *Realpolitik* policies behind late 20th Century Chinese railway development, to what extent will the extensive railway development proposed under the BRI enable China to achieve its politico-economic goals in Eurasia?

3. To what extent will China's choice to prioritise railway development under the BRI influence the politico-economic impacts of the initiative towards Eurasia?

Chapter 1.4: Thesis Statement

The development of railways through Chinese *Realpolitik* policies before the BRI foreshadows the importance of rail transportation under the BRI; Chinese railway development enables China to achieve its goals of strengthening economic relationships and establishing control over Eurasia, and will draw Eurasia into a more permanent politico-economic relationship with China as they rely on it for politico-economic stability.

Chapter 1.5: Scope

This research paper will cover two distinct time periods - the period between the start of Chinese Economic Reform in 1978 and the start of the BRI in 2013, and railway development under the BRI between 2013 and the present day.

Chapter 1.6: Significance of Research

China is currently the second largest economy in the world, and one of the Great Powers of the 21st Century. As the weakened United States pursues an increasingly protectionist and isolationist policy, China can increase its politico-economic influence, paving the way for it to become global hegemon.

As China increases its politico-economic influence, the countries that will first be affected are its neighbours in the supercontinent of Eurasia. With the BRI being China's first major politico-economic initiative, China's unusual reliance on rail transportation for the majority of its connections with Eurasia is noteworthy.

Chapter 1.7: Limitations

The BRI is a relatively new initiative being conducted by the Chinese government. Hence, the scope of research is limited by the recency of events under the initiative.

Chapter 2: Literature Review

Chapter 2.1: Political Realism and *Realpolitik*

Political realism is a theory of international relations. It presents the belief that state interest is the main cause for policies implemented by state actors. It claims that policies that best serve a state's interest can be calculated from necessities of policy birthed from unregulated competition among states, and defines the success of these policies by the extent to which it preserves and strengthens the state. (Waltz, 1979; Donnelly, 2000) Realpolitik is a branch of political realism. Instead of following ideological or ethical aspirations, practitioners of *Realpolitik* take a pragmatic viewpoint towards state affairs. As a result, *Realpolitik* emphasises practicality and tangible results over ethical ideology for the protection of state interests. Realpolitik is also closely intertwined with the economics and logistics of a country. (Rochau, 1853) Modern-day China's shift towards *Realpolitik* began in the 1970s, when Mao established relations with the United States in 1972, and especially with the beginning of Chinese Economic Reform in 1978 under Deng Xiaoping. Recognising that earlier policy had been costly for China's development, China made a pragmatic, rather than ideological, shift towards reforms and increased international engagement through its participation in the multilateral trading system while maintaining a low profile in international affairs. (Tsai & Littlefield, 2011) Later, Hu Jintao would follow Deng's *Realpolitik* legacy, choosing to establish more joint rail projects with surrounding countries to extend China's politico-economic influence and secure a stable environment for development. Today, China's actions under Xi Jinping, with its affirmative approach to resolving disputes, continues to exemplify the concept of *Realpolitik*. According to its practices in policies, it is necessary to analyse China's continued development of railways through a *Realpolitik* lens to understand its agenda and goals behind the use of rail transportation in the BRI.

Chapter 2.2: Chinese Railway Development

The logistics of transportation is an integral part of executing *Realpolitik* policies, and China's history of transport gives China a unique edge due to its geographical location near strategic trading routes. With the British construction of a railway from Shanghai to Wusong in 1876 and the 1894 Sino-Japanese War creating Russian and Japanese railway lines in Manchuria (Elleman et al., 2009), more than 9700km of railways had been built before 1911. Yet, it was only after the founding of the People's Republic of China that railway development became a staple of Chinese transport, railways being part of Soviet infrastructural projects in the 1950s. (Shen & Xia, 2012) Railways grew in importance, both for economic development and national security interests. Under Deng Xiaoping's period of Chinese economic reform, the focus on railway development was again shifted towards economic restructuring in the 1980s, resulting in an integrated railway network. (Wang et al., 2009) In the 1980s, China incorporated rail transportation to establish

Eurasian connections. Links from Xinjiang were established, with lines leading to Kazakhstan and Russia. Economic integration with Europe was also pursued through involvement in the TRACECA project. China began financing railway projects such as the Irrawaddy Corridor with Myanmar and the Trans-Asian Railway. (Garver, 2006) In the 21st Century, Chinese railways are emerging as an alternative to sea transport due to China's compromised sea communication lines, given an active American naval presence. (Smyth, 2018) With rapid technological progress, Chinese rail transportation will grow faster than other forms of transport with increased funding. (Fu et al., 2011) Furthermore, the Chinese government has invested in domestic high-speed railways (HSRs). By 2010, China had the world's largest and most advanced HSR network. (Hu, Wang, Jin & Ding, 2015) Given past trends in development, HSRs will soon be incorporated into China's joint railway development projects with other countries.

Chapter 2.3: Politico-Economic Goals of the Belt and Road Initiative

The BRI comes at a time when China's economic growth is beginning to slow. While China enjoyed three decades of steady economic growth between 1980 and 2010, stagnations in GDP growth started in 2012 (7.7%) and culminated in further decreases from 2014 (7.4%) to 2018 (6.6%). Due to decreasing industry competitiveness and productivity, China needs to focus on technological innovation and industrial upgrading in order to sustain economic growth. While these efforts require support from economic partners, its recent elevation in status as the world's second largest economy has fundamentally changed relationships with economic partners, who feel threatened by its rise and now see it as a competitor. The BRI would create a regional production chain, where China would be the centre of advanced manufacturing and innovation, and enable it to become the standard setter for other countries in Eurasia. (Cai, 2017) Hence, China aims to gain new economic partners and turn underdeveloped regions into new regional growth pillars, creating new markets for itself and sustaining economic growth. China also seeks to assert greater influence by contributing to economic architecture and such as the AIIB, building trust and changing other countries' perceptions of China. (Huang, 2016). Given China's active foreign policy, one of the BRI's aims is to achieve China's "broad geostrategic aims" through economic cooperation and stronger strategic ties in Eurasia. China seeks to counter American maritime superiority and the "pivot to Asia". By using its experience in building infrastructure, China can strengthen its regional position, especially considering the number of emerging economies requiring economic support. (Cai, 2017) Hence, this implies a push for geopolitical politico-economic hegemony under the initiative, in accordance with Realpolitik. Numerous research papers mention transport and infrastructure as significant priorities for the BRI (Liu & Dunford, 2016; Garcia-Herrero & Xu, 2016). However, the existing literature has thus far failed to discuss the significance of China's expansion of focus in its land-based approach to Eurasia in the BRI. Hence, there is value in discussing the special characteristics of rail transportation that has caused it to be used extensively in the BRI and the impacts of its usage.

Chapter 2.4: Eurasian Attitudes Towards the BRI

One major goal of the BRI is to improve Eurasian attitudes towards China by positively engaging countries through cooperation in trade. Hence, it is worth examining Eurasian attitudes towards the BRI. Generally, the BRI was met with enthusiasm. Notable participants include the Eurasian Economic Union (EAEU) and the Shanghai Cooperation Organisation (SCO), Italy and Greece from the EU, Turkey and most Eastern European states. (Cristiani, 2019) The EAEU and the SCO share overlapping memberships, and all of them are part of the BRI, excluding India. Out of these organisations, Russia and the five Central Asian countries are the most enthusiastic participants in the BRI, as they view the BRI as a chance to rejuvenate their economies. While Central and Eastern Europe has maintained close economic ties with China since 2012, most of Western Europe, has remained silent about the initiative. However, while it displays a neutral façade, China has developed railways in Western Europe, making Western Europe a part of the BRI. Following the events of Brexit, the United Kingdom also supports the BRI. Out of the three major economies opposing the BRI, India is the only one which experiences geographical proximity to the BRI. However, with the BRI under the guise of a cordial economic partnership, India's only option is to use its Nepali relations to reduce Chinese influence in the area, a considerably small part of the BRI. (Bhattarai, 2019) As a result, China faces little opposition in Eurasia when it comes to implementing the BRI.

Chapter 3: Methodology

Chapter 3.1: Chinese *Realpolitik*

In order to understand Chinese policies such as the BRI, it is necessary to view its goals from a Chinese perspective. Modern Chinese policies take a *Realpolitik* approach to geopolitics to ensure that they yield the maximum amount of benefits for China. Hence, it is necessary to use *Realpolitik* as a lens through which Chinese policies will be viewed in order to understand the intention of such decisions.

Realpolitik emphasises practicality in the pursuit of state interests. In the case of the BRI, these state interests take the form of China's politico-economic goals, and railway development represents a practical, efficient way of reaching them. Hence, by emphasising practicality and efficiency, a *Realpolitik* lens can be used to explain the rationale behind China's choice of rail transportation.

Chapter 3.2: Railway Development in the BRI

In order to analyse railway development in the BRI, case studies of Chinese railway development between 1978 and 2013 will be analysed in order to examine the politico-economic impacts of rail links with economic partners. Railway development under the BRI between 2013 and the present day will then be examined and compared against the aforementioned case studies to examine its ability to fulfil Chinese politico-economic goals in Eurasia, and its impacts on Eurasia's economic and geopolitical landscape.

Chapter 4: Discussion and Analysis

Chapter 4.1: Chinese Railway Development Before the BRI

Before the announcement of the BRI, Chinese railway development had already begun, fulfilling the country's state interests under the principles of Realpolitik. It is critical that the results and politico-economic impacts of these partnerships are analysed and understood in order to better understand the BRI and create a projection for its future.

Chapter 4.1.1: Northern Xinjiang Railway (1991)

After the independence of Central Asian countries in the 1990s, China sought to establish stronger links with them due to the region's abundance of natural resources, including energy reserves such as oil and natural gas, and the resultant potential for development and usage. Kazakhstan, sharing a large border with China, was a natural choice for China to establish relations with. The Northern Xinjiang Railway was built in September 1990, connecting Ürümqi, Xinjiang with Alashankou at the Sino-Kazakhstan border. Connections to Kazakhstan were completed in July 1991 with the construction of a highway and railroad between Alashankou and Dostyk in Kazakhstan. (UNESCAP, 2016) China's attempts to strengthen rail links with Kazakhstan were motivated by its *Realpolitik* aims of gaining access to natural resources and countering Russian influence. Through economic relations with the Central Asian countries, a significant amount of bilateral trade was created within the region, enabling China to fulfil its goal of creating economic connections with Central Asia and giving China the chance to tap on these resources. Positive effects for China were felt almost immediately after the railway link was constructed: a gradual increase in both Kazakh exports and imports to China was felt, with an exponential increase starting from 2001. (World Integrated Trade Solution, 2020)

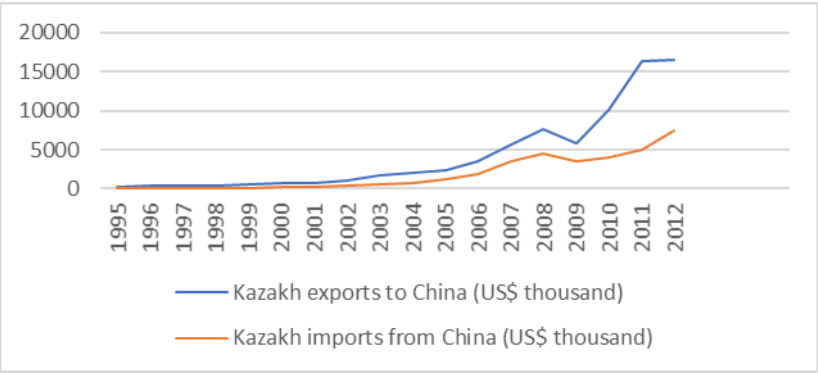

Figure 1: Sino-Kazakhstan trade between 1995 and 2012

This increase can be linked back to the Sino-Kazakhstan rail link as it opened up opportunities for trade between the two countries. Even in 2008, the Dostyk-Alashankou rail link continued to handle 50% of all bilateral trade and saw a rapid increase in the amount of container freight transported, by 8 million tonnes between 2004 and 2007, maintaining its importance in Sino-Kazakhstan trade. (Peyrouse, 2008)

Chapter 4.1.2: Trans-Asian Railway (2006)

The Trans-Asian Railway was a UNESCAP initiative aiming to connect most of Eurasia via railways. China joined the initiative on 10 November 2006 with its signature of the Trans-Asian Railway Network Agreement. The railway offered the potential to greatly reduce transit times between countries and foster economic cooperation through the creation of three corridors linking Europe to the Pacific, Western Asia to Southeast Asia, and Northern Asia with the Caucasus and Central Asia. (Chartier, 2007) The Trans-Asian Railway presents a unique case for Chinese railway development. While progress on the project remained stagnant with some minor advancements in the 2000s, the Trans-Asian Railway shares many similarities with the BRI. Hence, the Trans-Asian Railway could have been an early influence on the BRI, giving China the idea of developing a Eurasian railway network. The Trans-Asian Railway, a United Nations initiative, alerted China to the potential of a similar rail project. Given the prolonged interest of countries in Eurasia – more than half a century – to partake in such an initiative, a rail project would enable China to play a central role in forging regional economic connections.

Chapter 4.1.3: Beijing-Hamburg Freight Service (2008)

In 2008, China Railway partnered with the state-owned German railway company Deutsch Bahn to develop a joint railway service transporting goods from Beijing to Hamburg. The result was the Beijing-Hamburg freight service, which was able to safely transport freight along a 10000km-long route running through six countries. This marked the first instance of Chinese railway cooperation with a Western European country, signifying a turning point in their economic policy towards China. On the part of China, establishing the rail link provided a long-lasting economic connection to the heart of Europe with railway infrastructure. The freight service cut the time needed for transportation between China and Germany by half: previously, shipments took 30 days for transport from the Pearl River Delta to Hamburg; in 2008, the freight service's test run required 15 days. While slightly more expensive than transportation by shipping (US$1350.00), transporting a 20' dry container by rail (US$6000.00) remained less expensive than by air freight (US$26,1250.00), offering the best of both worlds in terms of cost and speed. (Writers, 2008; DSV, 2020) Hence, the success of the Beijing-Hamburg Freight Service paved the way for the development of Eurasian rail travel by proving the feasibility of using rail transportation over other forms of transportation in certain circumstances.

Chapter 4.1.4: Summary

Chinese railway projects before the BRI were successful in fostering limited economic relations with neighbouring countries, proving that rail transportation was effective in building lasting economic relations that were mutually beneficial, a way to give China a central role in regional geopolitics, as well as an alternative method of transportation that could replace shipping when placed under time constraints. In these respects,

working on further Chinese railway projects would serve Chinese state interests well, fuelling interest in projects like the BRI. Notably, between the 1990s and the 2010s, China's economic and implementation capabilities increased by a considerable amount. This allowed China to execute its vision for railway projects on a grander scale than before.

Chapter 4.2: Impacts of Rail Transportation in the BRI on Eurasia

The BRI's large geographical reach means that its impacts will be felt across the Eurasian supercontinent. Currently, the ability of the initiative to achieve China's politico-economic goals in China and the nature of its impacts on the BRI's participants remain uncertain at this point in time. However, the above examples of past railway projects have set the tone for the future of the initiative, allowing us to examine its chances of success – and failure – in various regions of Eurasia.

Chapter 4.2.1: Central Asia and the Caucasus

In Central Asia, interest continues to revolve around natural resources. China's past successes gave rise to increased interest in the region: as early as the 1990s, China increased economic cooperation with other Central Asian countries. With the help of the BRI's railways, China's imports have begun to rival that of Russia's. The partial completion of the Khorgos-Aktau Railway running through Kazakhstan, Turkmenistan and Uzbekistan (Zhang et al., 2018) prioritises the three energy-rich Central Asian countries, giving China a strategic advantage in the region, especially with Russia's pull-out of Turkmenistan in 2016 (Putz, 2016). While Russia has been importing rolling stock and railway equipment from Kazakhstan, perhaps attempting to control its own railways, its existing pipelines, which can only handle imports, are unable to establish the same kind of influence as the flexible, continuously expanding Chinese railway network, which can handle both imports and exports at short notice. Furthermore, the construction of railway lines link Aktau Port in Kazakhstan with other railways, giving China a way to create efficient economic links. By using a faster sea route across the Caspian Sea, railways in Central Asia are linked with the Baku-Tbilisi-Kars Railway in the Caucasus, crossing Azerbaijan, Georgia and Turkey while avoiding Russian sovereignty and maintaining railway control. Nevertheless, China faces challenges in Central Asia and the Caucasus. A lack of transparency and limited contributions to local Central Asian economies may reduce enthusiasm for the initiative and fuel Sinophobia brewing in the region. As China's influence causes a trade imbalance between Kazakh and Chinese exports, resulting in corruption which prevent economic gains from benefiting locals, demonstrations have been held protesting Chinese economic hegemony in the region. (Kruglov, 2020) The permanence of railway infrastructure, the investments made in rail transportation and sustained economic growth gained from cooperation with China means that governments of Central Asian countries are unlikely to cut off economic ties over such issues; nevertheless, such issues of political instability have the potential to derail Chinese projects and should be addressed. Breaks of gauge are also a concern for

China, as the track gauges used in China are incompatible with Central Asia's, preventing direct railway links. In this regard, China has established the Khorgos Gateway (Saunders, 2019), a dry port that enables China to lift good containers from a Chinese freight wagon to an adjacent train with the Russian standard, resolving the break of gauge issue. This enables China to use railways effectively in Central Asia. Furthermore, the Khorgos Gateway has led to substantial economic development in barren Khorgos, benefiting locals in the area and incentivising China to develop rail projects. These railway projects continue to strengthen China's economic ties to Central Asia and access to regional natural resources. With the BRI encouraging mutual economic growth, danger lies in political instability stemming from the economic disparities appearing in Sino-Central Asian trade. China will have to quell Sinophobia and increase transparency to secure energy resources in Central Asia.

Chapter 4.2.2: Middle East

The Maritime Silk Road plays a larger role in the Middle East due to the presence of vital maritime chokepoints at Hormuz, Bab al-Mandab and Suez. Hence, BRI railway projects are less prominent in the Middle East. Nevertheless, railways in the Middle East support maritime routes by providing transport for Chinese energy resources from Middle Eastern ports, and provides a link to Europe via Turkey. Opening options for direct transportation of resources from Middle Eastern ports also enables China to avoid American Middle Eastern influence. Current railway projects extend from Central Asia to reach Tehran and Mashhad through electrification, with plans for a railway linking Iran and Turkey. Furthermore, Chinese economic aid could help to stabilise the region and demonstrate the effectiveness of Chinese soft power. For the Middle East, railways in the BRI serve to create a high-quality integrated transport network, stronger ties with China and regional energy security with Chinese economic backing, hastening Middle Eastern regional development. (Anon, 2017; Kamel, 2018) While religious and cultural differences may impact railway projects, political issues pose the real threat to Chinese interests in the Middle East. (Chaziza, 2020) Iran, a key figure in the BRI, has been clashing with the United States over nuclear proliferation since 2017. Even as railways serve China's commitments to provide economic support to Iran under the JCPOA (2015), American sanctions on Tehran not only increase Middle Eastern tensions, but also increase Sino-American tensions, impeding the BRI's success in the Middle East. While China has previously framed its intentions in the Middle East as purely economic, it may be forced to take a political stand in the Iranian question. While China is already a part of several of these groups, it needs to take action and find common ground through Middle Eastern dispute settlement with partners like the Permanent Five of the UN Security Council, excluding the United States. Regional political stability is tied to Chinese projects' success, and China must ensure such stability if it is to protect its interests in the Middle East, paving the way for the continuation of infrastructural projects, including railway projects.

Chapter 4.2.3: Eastern Europe and the Russian Federation

Chinese railway projects under the BRI run through seven Eastern European countries under the helm of the "17 + 1", with notable projects funded by China including the Belgrade-Budapest Railway and the Warsaw-Minsk Railway, linked to China via railways running through Southern Russia and Mongolia. Both China and Eastern European countries seek to mutually benefit through infrastructure projects, increasing Sino-Eastern European collaboration on politico-economic matters and strengthening Eastern European sovereignty and independence. With Chinese promises of a US$1 billion investment in infrastructure projects, China has gained Eastern European cooperation, strengthening control over the geographically important junction. (Rolland, 2018) Given that many important Chinese railways pass through Eastern Europe, securing Eastern European trust through railway development is vital to the establishment of fast and reliable Sino-Western European railway links. The cooperation of the Russian Federation is also crucial for the BRI's success in Europe. Fortunately, Russia has invested much in the BRI, with cooperation on over 150 projects, including the China-Mongolia-Russia Economic Corridor.

BRI railway projects in Eastern Europe also face challenges. Firstly, Chinese economic investments are uneven, with China favouring Hungary (US$2.2 billion), Poland (US$1.1 billion) and the Czech Republic (US$634 million) over other countries. Secondly, unfairly structured trade relations increase trade deficits for Eastern European countries (e.g. Serbia's 63:1 import-export ratio with China). These problems have led to dissatisfaction with Chinese policies, which could disrupt railway development under the BRI. More pressingly, the BRI has been placed on the backburner by many Eastern European countries. (Matura, 2018) One example of this is the incomplete Budapest-Belgrade-Skopje-Athens Railway, with the first section between Serbia and Hungary taking far longer than the initial two-year projection. While Eastern Europe may be lower on China's agenda, it still remains important. China must complement its active Eastern European policy with active engagement of Eastern European leaders in order to bring the BRI to the forefront of their consciousness, encouraging active Eastern European engagement. On the other hand, collaboration on BRI railway projects has been smoother with Russia, which hopes to reduce its dependence on oil exports through Chinese investments and continued GDP growth, among other infrastructural projects. (Wang, 2020) The biggest barrier for China and Russia remains the break of gauge between railways. Hence, China may be able to tap onto Russia's influence in the region and economic fora such as the EAEU and SCO to ensure the BRI's prioritisation while developing change-of-gauge stations similar to the Khorgos Gateway, enabling further integration of Sino-Russian railways. This will enable China to securely transport goods through Eastern Europe, gaining control over its link to the West.

Chapter 4.2.4: Western Europe

As the BRI approaches Western Europe, the density of railways in the region grows rapidly: railways connect China to Western Europe through Eastern Europe and the Middle East. Chinese regional investments overshadow its investments in other parts of Eurasia: in 2016, China invested a record high of US$41.9 billion in the EU28. (Kratz et al.,

2020) Investments in Western Europe help to strengthen Sino-EU trade, while economic cooperation aids China in establishing a political foothold in the EU (e.g. Greece's blockage of an EU statement criticising China on the UNHRC). (Brattberg, 2018) This has been supported by the BRI's extensive Western European railway system. China's flagship railway project for Western Europe is the Yiwu-Madrid Railway, a joint project between China Railways, Deutsche Bahn and InterRail Group which was completed in 2014. Its Western European section runs across many highly developed countries and members of the EU. Notably, the railway played an important role during the COVID-19 pandemic when it was used to transport masks to Spain (van Leijen, 2020), showing BRI railways' ability to increase Chinese soft power.

Western Europe benefits from the BRI through its ability to strengthen the sovereignty of Eastern European countries by enriching and empowering them, and its ability to transport goods efficiently to and from the world's second-largest economy – the Yiwu-Madrid Railway completes its journey in just 14 days despite breaks of gauge, an improvement from an otherwise month-long shipping journey. China's economic presence in the EU rivals the United States, and with United States protectionism re-emerging, China has become an attractive trading partner. However, deep-seated European suspicion prevents China from establishing a stronger regional presence. The EU, a strong ally of the United States, has been well aware of Chinese corruption and unfair practices that characterise many projects it has undertaken across Eurasia, and is wary of China's Eurasian ambitions. While the EU places heavy emphasis on protecting human rights and democracy, China stands in direct contrast to these principles, increasing fears that a growing Chinese influence in the region might cause disruption in the EU. As a result, most of Western Europe has taken a cautious approach to the initiative, avoiding mention of the BRI in official speeches. However, China has not been oblivious to these obstacles. Taking advantage of the Eurozone Crisis, China has provided investments to countries badly affected by the economic crisis, such as Italy and Greece, to gain their trust and support. This has worked out for China, with Italy and Greece both publicly declaring their participation in the BRI and giving China a substantial foothold in EU politics. (Amighini, 2019; Ciurtin, 2019) The United Kingdom, while no longer part of the EU, remains important in regional politics and has expressed its interest in the BRI due to its need to develop economic relations with other countries. China continued to use railways to extend economic connections with the development of the Yiwu-London Railway Line (2018), a branch of the larger Yiwu-Madrid Railway linking London to the Chinese heartland. With economic cooperation comes political influence, and railway projects in those countries give China the ability to establish politico-economic influence in Western Europe, developing a silent presence in the region without disturbing more skeptical Western European countries.

Chapter 4.2.5: Southeast Asia

The BRI heavily relies on railway projects to bring Southeast Asia into China's sphere of influence. The proposed 3000km-long Kunming-Singapore Railway, building upon similar sentiments among the members of ASEAN and the Trans-Asian Railway, serves as its

main project in the region. While Japanese negotiations to build HSRs in Thailand broke down, China Railway's negotiations for Thai railway development saw success. By 2017, China had invested US$19 billion in Southeast Asia, mostly channelled towards railway projects. China's high levels of investment in the region represents its desire to intrinsically connect with Southeast Asia, a region rich with natural resources and the potential for economic growth, through railways, maximising economic gains from eventual regional development. Railways connected to various ports, including existing ports in Singapore and Laem Chabang in Thailand, and planned ports at Malacca and Kuantan, (Merics, 2018) could reduce reliance on a maritime route and avoid American influence when transporting energy resources. Southeast Asia could also benefit from the BRI, such as diversification of economies in Vietnam, Cambodia and Laos, and railway development in the region that could achieve economic integration under the ASEAN Economic Community vision. Thus, Southeast Asia has been largely receptive to Chinese economic diplomacy. However, railway projects in Southeast Asia remain incomplete. Political complications arise at the rail link between Malaysia and Singapore, which has faced delays since 2018. (Das et al., 2020) The threat of the Chinese debt trap and poor execution of projects could also hinder negotiations with countries such as Vietnam, further delaying railway development. Furthermore, the initial exclusion of Thailand and Singapore, major players in Southeast Asia, from the first BRI Summit in 2017 could also create an impression of alienation and increase their wariness of China. (Busbarat, 2020) Singapore's status as a close American ally, while something China hopes to use to its advantage through the BRI, also has the potential to hinder progress in Southeast Asia, with a strong American politico-economic presence in the country stretching Singapore's commitments to the two great powers in the region.

China must leverage on Southeast Asia's hope to develop bilateral trade and economic ties to accelerate the development of railway infrastructural projects in the region, creating a permanent Sino-Southeast Asian economic link. Alarm in Singapore at the prospect of being excluded from the BRI is a sign of China's significant regional leverage. (Han, 2017) Ongoing Sino-Singaporean cooperation and Singaporean financing for the initiative could lower doubts about BRI railway projects, given Singapore's reputation for transparent business practices. Hence, in its approach towards Southeast Asia, China should use its presence on fora such as the ASEAN + 3 to push for its railway projects under the banner of mutual economic development and integration in the region to remove political obstacles for railway projects. Following the development of railway lines running through Southeast Asia, China will be able to enjoy an extension of its influence into Southeast Asia, upholding its state interests.

Chapter 5: Conclusion

China's recognition of railways as facilitators of trade and politico-economic stability through experience with railway projects since the 1990s has aided its propulsion of the BRI, as railways built under the initiative have extended China's politico-economic influence under Chinese economic diplomacy to the farthest parts of Eurasia with their flexibility, speed and infrastructural development, concretising China's influence. However, delays and lingering suspicion on parts of the Silk Road Economic Belt slows railway development, especially in Southeast Asia and the Middle East. Similarly, for the participants in the BRI, the initiative also poses benefits and risks. The attractiveness of infrastructural development and investments is contrasted against China's reputation for corruption, unfair business practices and debt-traps – a reputation that is not completely unfounded. Conflicting views between countries could result in political instability rather than the politico-economic integration the initiative's railways aim to bring.

As a result, railway projects under the BRI have the potential to achieve both Chinese and Eurasian state interests by providing permanent infrastructural backing for economic cooperation and trade between the two parties; however, geopolitical complications out of China's control continues to slow progress, dragging out the completion of the BRI's railway projects. China's prioritisation of railway projects may yield some benefits for both parties in the short term, but may take a few decades to completely achieve China's state interests in Eurasia.

Bibliography

1. Amighini, A. (2019). Italy in the Belt and Road Initiative. GeoProgress Journal, Vol. 6, i. 1, 2019, 6(1).
2. Brattberg, E., Soula, E. (2018, October 19). Europe's Emerging Approach to China's Belt and Road Initiative. Carnegie Endowment for International Peace. https://carnegieendowment.org/2018/10/19/europe-s-emerging-approach-to-china-s-belt-and-road-initiative-pub-77536.
3. Busbarat, P. (2020, March 14). Why was Thailand's Prime Minister Absent in the Belt and Road Initiative Summit? by Pongphisoot Busbarat - ISEAS-Yusof Ishak Institute. ISEAS. https://www.iseas.edu.sg/media/commentaries/why-was-thailands-prime-minister-absent-in-the-belt-and-road-initiative-summit-by-pongphisoot-busbarat/.
4. Cai, P. (2017). Understanding China's Belt and Road Initiative. Lowy Institute for International Policy.
5. Chartier, P. (2007). The Trans-Asian Railway. Transport and Communications Bulletin for Asia and the Pacific.
6. Chaziza, M. (2020, June 9). Religious and Cultural Obstacles to China's BRI in the Middle East. Begin-Sadat Center for Strategic Studies. https://besacenter.org/perspectives-papers/china-middle-east-obstacles/.
7. Ciurtin, H. (2019, May 29). The "16+1" Becomes the "17+1": Greece Joins China's Dwindling Cooperation Framework in Central and Eastern Europe. Jamestown. https://jamestown.org/program/the-161-becomes-the-171-greece-joins-chinas-dwindling-cooperation-framework-in-central-and-eastern-europe/.
8. Cornell , S. E., & Swanström, N. (2020, February 26). Compatible Interests? The EU and China's Belt and Road Initiative. Institute for Security and Development Policy. https://isdp.eu/publication/compatible-interests-the-eu-and-chinas-belt-and-road-initiative/.
9. Cristiani, D. (2019, April 24). Italy Joins the Belt and Road Initiative: Context, Interests, and Drivers. https://jamestown.org/program/italy-joins-the-belt-and-road-initiative-context-interests-and-drivers/.
10. Das, K. N., & Aravindan, A. (2020, May 31). UPDATE 1-Malaysia, Singapore defer high-speed rail project until year-end. Reuters. https://www.reuters.com/article/singapore-malaysia-railway/update-1-malaysia-singapore-defer-high-speed-rail-project-until-year-end-idUSL4N2DD077.
11. Donnelly, J. (2000). Realism and International Relations. Cambridge University Press.
12. Elleman, B. (2015). Manchurian Railways and the Opening of China: An International History. doi: 10.4324/9781315702643
13. Emery, H. C. (1915). What is Realpolitik? Ethics, 25(4), 448. doi: 10.1086/206925
14. Fu, B., Bentz, B. A., & McCalla, M. T. (2011). Logistics in China: Thinking Ahead. Logistics Management.
15. Garcca-Herrero, A., & Xu, J. (2016). Chinas Belt and Road Initiative: Can Europe Expect Trade Gains? SSRN Electronic Journal. doi: 10.2139/ssrn.2886228
16. Garver, J. W. (2006). Development of Chinas Overland Transportation Links with Central, South-west and South Asia. The China Quarterly, 185, 1–22. doi: 10.1017/s0305741006000026
17. Holborn, H. (1960). Bismarck's Realpolitik. Journal of the History of Ideas, 21(1), 84-98. doi:10.2307/2708000

18. Hu, H., Wang, J., Jin, F., & Ding, N. (2015). Evolution of regional transport dominance in China 1910–2012. Journal of Geographical Sciences, 25(6), 723–738. doi: 10.1007/s11442-015-1198-3
19. Huang, Y. (2016). Understanding Chinas Belt & Road Initiative: Motivation, framework and assessment. China Economic Review, 40, 314–321. doi: 10.1016/j.chieco.2016.07.007
20. Kratz, A., Huotari, M., Hanemann, T., & Arcesati, R. (2020, April 8). Chinese FDI in Europe: 2019 Update. Merics. https://merics.org/en/report/chinese-fdi-europe-2019-update.
21. Kruglov, A. (2020, February 18). Sinophobia simmers across Central Asia. Asia Times. https://asiatimes.com/2019/11/sinophobia-simmers-across-central-asia/.
22. Liu, H., & Lim, G. (2018). The Political Economy of a Rising China in Southeast Asia: Malaysia's Response to the Belt and Road Initiative. Journal of Contemporary China, 28(116), 216–231. https://doi.org/10.1080/10670564.2018.1511393
23. Liu, W., & Dunford, M. (2016). Inclusive globalization: unpacking China's Belt and Road Initiative. Area Development and Policy, 1(3), 323–340. doi: 10.1080/23792949.2016.1232598
24. Mapping the Belt and Road initiative: this is where we stand. Merics. (2018, June 7). https://merics.org/en/analysis/mapping-belt-and-road-initiative-where-we-stand.
25. Matura, T. (2018). The Belt and Road Initiative depicted in Hungary and Slovakia. Journal of Contemporary East Asia Studies, 7(2). https://doi.org/10.1080/24761028.2018.1537091
26. Obe, M., & Kishimoto, M. (2019, January 9). Why China is determined to connect Southeast Asia by rail. Nikkei Asian Review. https://asia.nikkei.com/Spotlight/The-Big-Story/Why-China-is-determined-to-connect-Southeast-Asia-by-rail.
27. Putz, C. (2016, January 6). Russia's Gazprom Stops Buying Gas from Turkmenistan. – The Diplomat. https://thediplomat.com/2016/01/russias-gazprom-stops-buying-gas-from-turkmenistan/.
28. Rochau, A. L. von. (1859). Grundsätze der Realpolitik, angewendet auf die staatlichen Zustände Deutschlands. Stuttgart: Göpel.
29. Rolland, N. (2018). Chinese Ambitions in Eastern Europe and the South Caucasus. Notes D'IFRI. https://www.ifri.org/sites/default/files/atoms/files/rolland_china_eastern_europe_south_caucasus.pdf.
30. Saunders, P. (2019, April 10). The Dry Port of Khorgos: Zone Overview. RSS. https://www.adrianoplegroup.com/post/the-dry-port-of-khorgos-zone-overview.
31. Smyth, J. (2018, November 23). How robot trains are boosting Australia's mining industry. Retrieved from https://www.ft.com/content/b71db1fa-ed3d-11e8-89c8-d36339d835c0
32. Tsai, T. C., & Littlefield, A. (2011). Chinas foreign policy: Realpolitik or something new? Journal of Contemporary Eastern Asia, 10(1), 1–13. doi: 10.17477/jcea.2011.10.1.001
33. van Leijen, M. (2020, June 24). China sends thousands of masks to Spain by train. RailFreight.com. https://www.railfreight.com/beltandroad/2020/03/27/china-sends-thousands-of-masks-to-spain-by-train/.
34. Waltz, K. N. (1979). Theory of International Politics.
35. Wang, C. N. (2020, April 2). BRI Country Perspectives – Russia. Green Belt and Road Initiative Center. https://green-bri.org/bri-country-perspectives-russia?cookie-state-change=1594224762066.
36. Wang, J., Jin, F., Mo, H., & Wang, F. (2009). Spatiotemporal evolution of China's railway network in the 20th century: An accessibility approach. Transportation Research Part A: Policy and Practice, 43(8), 765–778. doi: 10.1016/j.tra.2009.07.003

37. World Bank. (2020). World Integrated Trade Solution (WITS). World Integrated Trade Solution (WITS) | Data on Export, Import, Tariff, NTM. https://wits.worldbank.org/Default.aspx?lang=en.
38. Writers, S. (2008, January 24). Beijing-Hamburg freight service completes maiden journey. https://www.terradaily.com/reports/Beijing-Hamburg_freight_service_completes_maiden_journey_999.html.
39. Zhang, W., Alon, I., & Lattemann, C. (Eds.). (2019). China's Belt and Road Initiative - Changing the Rules of Globalisation. Palgrave Studies of Internationalization in Emerging Markets.