Critical Issues Confronting China:

Super Continent: the BRI and the Emergence of an Integrated Eurasia

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Unlike many China experts in the U.S. who focus exclusively on China’s rise in recent years, Kent Calder, Vice Dean for Faculty Affairs and International Research Cooperation at Johns Hopkins University, offered a different perspective, taking advantage of his experience of having lived in several Asian countries. In his talk, Calder took Eurasia as a unit of consideration and assessed the role of China’s Belt and Road Initiative (BRI) in this increasingly integrated expansive land mass. Calder concluded by postulating China’s possible impact on the international system as a whole.

In contrast to Thomas Friedman’s thinking embodied in his 2005 book The World Is Flat, Calder believed that geography matters, even in a 21st century information age, because natural resources and people are still where they are. Yet Calder did not view the importance of geography in a static way but took into account the impact of the drastic improvement in transportation and delivery systems transformed by advanced communication technologies and modern infrastructure. This dynamic view of geography enabled Calder to reconceptualize Eurasia as an integrated entity with a new geopolitical significance.

As a vast and continuous land with 70 percent of the world’s purchasing power, 60 percent of the world’s oil reserves, and 70 percent of the world gas reserves, Eurasia has a geographic coherence and tremendous scale. Although Zbigniew Brzezinski (1928-2017), the Polish American geopolitical strategist and National Security Advisor under President Jimmy Carter, judged in 1996 that “Eurasia is too big to be politically one,” Calder pointed out some consequential changes over the last couple of decades. The collapse of the USSR in 1991 has altered the relationships of many Asian countries with Europe. Lehman Brothers’ collapse in 2008 culminated in a global financial crisis and compelled Eurasian countries to look elsewhere for financial leadership. The 2014 Ukraine crisis alienated Russia and some European countries. More importantly, China’s rapid modernization and active involvement with European and Asian countries through a number of regional organizations, such as, Cooperation between China and Central and Eastern European Countries (CEEC or 17+1) and the Shanghai Cooperation Organization, all gave rise to its centrality in Eurasia. The transportation connectivity from China’s western provinces, such as Sichuan, Gansu, and Xinjiang, to other cities in central Asia and Europe through frequent rail and air connections has dramatically enhanced their economic ties in recent years.
Calder expounded the logic for this intensifying integration. First, some geographic facts underline China’s centrality in Eurasia. Half of the distance between Shanghai and the eastern border of the European Union is in China; it is two thirds of the distance between Shanghai and the Strait of Hormuz. China’s Xinjiang Province is practically half-way to Europe. In addition, China’s need for continuous energy imports to fuel its economic growth makes sea lanes from the Persian Gulf to the Strait of Malacca to China’s coast highly pertinent to its own interests. Furthermore, a logistic revolution has made land and sea links within Eurasia faster and cheaper. Chinese cities and European cities have become interdependent through deepened economic ties. Moreover, China’s power projection to Europe is backed up with massive financing. The UK’s decision to participate in the China-initiated Asian Infrastructure Investment Bank (AIIB) in 2015 unleashed a slew of other developed countries’ participation, resulting in a total of 100 member countries presently. The AIIB has gained further credibility by collaborating with the Asian Development Bank and the World Bank in financing worldwide infrastructure projects. Additionally, China’s Silk Road Fund is dedicated to support China’s ambitious BRI project.

Calder identified a few drivers of Eurasia’s integration. China’s top national corporations, such as, China Railway Construction Corporation (CRCC), China COSCO Shipping Corporation, and Chinese local governments as well all play a leading role in driving this integration. Although there are questions about whether the Chinese behemoth state-owned enterprises (SOEs) operate efficiently and whether this model of state-sponsored expansion is financially sustainable or not, they do deepen connections within the Eurasian region and project power internationally, with geopolitical ramifications in world affairs. In this process, the relationship between China and Russia and that between China and the European Union are both critical. The size of the Chinese economy gives it an advantage in shaping these important bilateral relationships. Overlapping interests between China and Russia and synergies between China and Central and Eastern Europe are all driving forces behind this regional integration.

What does this deepening integration mean for the world order? Calder showed a two-by-two matrix along the dimension of whether the leadership structure is unitary or pluralistic and the dimension of whether the system is rule-based. An example of a rule-based unitary system is the Bretton Woods system. An example of non-rule-based unitary system is the traditional Chinese tributary system. Whereas the Congress of Vienna of the early 19th-century Europe is an example of a rule-based plural system, the BRI would represent a non-rule-based pluralistic system where resources are allocated in a distributive manner.

Calder recognized that China can function as a system stabilizer with its extraordinary size, as it did in the aftermath of the 2008 financial crisis, when the Chinese government stimulated its economy with a stimulus package of four trillion RMB. He also acknowledged the possibility that the BRI does not necessarily conflict with a rule-based system and that it can possibly move to a rule-based system. Nonetheless, Calder believed that the BRI is potentially subversive to the rule-based international system, and he underscored that it is outside our normal range of experiences and represents an alternative to market-based allocation of resources.