

**REVIVING THE ANCIENT SILK ROAD:
CHINA'S NEW DIPLOMATIC INITIATIVE**

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Executive Summary

1. Drawing on the historical precedent of the ancient Silk Road, President Xi Jinping has proposed the new “Silk Road Economic Belt” (an overland route) and “Maritime Silk Road” of the 21st century (a maritime route) to further China’s relations with its neighbors.
2. Xi’s two initiatives appear to be heavy on economic-oriented areas of cooperation such as trade and investment, finance, infrastructure and energy, and even people-to-people exchanges.
3. The geographical scope of the new Silk Road is vast. It includes the countries along the ancient Silk Road that spanned Asia, Africa, the Middle East and Europe.
4. China is in a strong economic position to promote the new Silk Road. It is already a leading trade partner of most countries along the new Silk Road. There is also sufficient economic complementarity between China and these countries.
5. China is aware that its basic foreign policy message of “peaceful rise” has not been wholeheartedly embraced by countries on its periphery. It therefore seeks to reinforce this message through the new Silk Road where there would be many opportunities for these countries to grow and prosper alongside China.
6. There is potential for the new Silk Road to be transformed into a China-led economic undertaking. At the same time, this transformation may also bring about a new geopolitical landscape with China at the core.
7. Such a China-centric geopolitical role will, however, take much time to evolve and will be fraught with challenges. Already, China has found that its growing geo-economic pre-eminence does not necessarily translate into concomitant geopolitical influence.

8. Furthermore, China has to jostle with other major powers for influence in the implementing of its Silk Road initiatives. For the overland Silk Road, China's endeavor could run up against Russia's established interests as the Central Asia states are considered as falling under Russia's traditional orbit.
9. China is expected to face even greater difficulty in implementing the Maritime Silk Road as it has to contend with major players like the US, Japan and India.
10. Furthermore, the heightened territorial tensions that China has with the ASEAN claimant states on the South China Sea make it hard for these smaller states to fully embrace its new Silk Road initiative.
11. To get its new Silk Road off the ground, China would require much political will and commitment, as well as plenty of diplomatic resources and patience.
12. More crucially, China would need a lot of soft power which is not in plentiful supply today given its different ideology and different political system from that of mature democracies elsewhere.