

“Silk Road Travelers”: China or the USA?

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Abstract

This article aims to provide a historical ground for future research on geopolitical and economic transformations in Asia. It is devoted to the current situation around two Central Asian megaprojects: The U.S.'s "New Silk Road" and China's "One Belt One Road" (OBOR). Authors compare perspectives of these two initiatives and their impact on the economy and political landscape in Asia to evaluate the future of the region. Considering strategies of both countries, the authors conclude that "New Silk Road" is unable to compete with OBOR in Central Asia and, in fact, the U.S. had to concede the region to China. Even the Trans-Pacific Partnership (TPP) that was considered overweight for OBOR has failed after Donald Trump's arrival to power. The current situation is favoured for China, and the only issue left for future discussions is whether Beijing possesses enough resources to do the projects in both Central and South Asia.

Keywords: Central Asia, Silk Road, OBOR project, United States, China, TPP, Obama Administration, Trump Administration

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Introduction

For many centuries the "Great Silk Road" had been one of the largest, the most famous and successful projects of the Middle Ages. Great caravans transferred rare goods from Eastern Asia to the Mediterranean by this proven and challenging route.

Nowadays, the idea of creating a fast and safe route to transfer millions of containers to the West becomes relevant especially with evolving technologies and China transforming into a world factory. The Chinese did not even have to invent a name and a route, but only had to adapt the experience of the ancestors to the modern world. However, the Americans, who announced the beginning of their work back in 2011, had already taken the name "New Silk Road". Therefore, the authorities of China had to come up with a new name for their future project – "One Belt One Road" (OBOR). Despite the difference of the names, the action takes place in the same area and has one stated goal – to transport goods from Asia to Europe.

Nevertheless, the USA and China have not joined their forces to develop the infrastructure for the projects, as they have ultimately different views on the future of the "caravan track". While Beijing was pursuing mostly economic goals, Washington considered the development of Central Asia as also a tool of containing Russia and reducing the dependence on former USSR-republics from Moscow. It was supposed that Central Asia republics, linked by numerous "New Silk Road" infrastructural projects, would transit their hydrocarbons to the West in avoidance of Russian pipelines and transport routes. Another purpose of Washington was to support the development of the region that should provide republics with alternatives against Chinese economic (and political) expansion and let the U.S. withdraw American forces from Afghanistan without leaving chaos behind. Although both the countries had reasons, however, the experts in China and the U.S. came up with the same idea of the development of Central Asia republics through the implementation of high-profile projects.

An analysis of the U.S.-China competition in Central Asia has a significant value for the region since it indicates who are the global leaders interested in the regional development of Central Asian republics and on what amount of global investments Central Asian republics can count. In this article, we study and compare both projects, considering geopolitical concepts, resources and efforts put by the U.S. and China on Central Asia development and what results they have achieved at the present moment. Thus, this analysis clarifies why the US have lost their influence in the region, while China strengthens its position changing Central Asian political and economic landscape through the implementation of a set of OBOR's projects. This statement can be proved over scrutinising years of U.S's inactivity on the TAPI pipeline (Turkmenistan - Afghanistan - Pakistan - India) and very modest benefits from the CASA-1000 project. Another proof of this assessment is the decision of the U.S. President Trump to withdraw the U.S. from the Trans-Pacific Partnership – the union that has been considered as overweight to the Chinese economic expansion in Asia. The research begins with an analysis of the literature on U.S.-Chinese Silk Road competition. Based on the scholarly review, we can conclude that the US-led project "New Silk Road" has lost to its Chinese peer's devotion to the OBOR's successes. This is followed by critical and comparative analysis of advantages and disadvantages of each project separately. The concluding remarks are outlined in the final section. In the next section, we describe the methods.

Methods and Sources

This research uses historical and comparative methods. Under the historical approach, both projects arrange in chronological order from their birth to January 2017, while their distinctions are analysed using a comparative approach. Additionally, important data was collated from regular and systematic observation of academic journals, news articles, and content analysis of government

resources of China, Kazakhstan, the U.S. and Russia.

Over the last five years, both projects went through careful analysis and broad discussions within an expert community across the world. Authors from the U.S., China, Kazakhstan, Russia and India have laid out their views on the "New Silk Road" and "OBOR" (please refer to Figure 1 for proposed China's New Silk Roads), often speaking in favour of one of them. To provide a strong background for this article, we also used official sources of political points of view and papers by experts from the U.S., China, Central Asia and Russia.

For example, an expert from Kazakhstan, Murat Laumulin, analysed the approaches of foreign experts on Central Asia and concluded that China and the U.S. have significantly heightened involvement into the region over the last years and pursue the same goals – that is, to sustain stability and development in Central Asia. Other vital sources originate from Kazakhstan Institute for Strategic Studies. For example, experts Bulat Auelbaev, Sanat Kushkumbaev, Konstantin Syroezhkin and Vyacheslav Dodonov analysed the OBOR in a report entitled "Central Asia - 2020: four strategic concepts" (Auelbaev et al., 2015). They suppose that Beijing can unite Central Asia under OBOR, but that Chinese dominance may lead to several negative consequences to local countries such as Kazakhstan, Tajikistan, Kyrgyzstan, Turkmenistan and Uzbekistan. One such consequence is the local countries' strong financial dependence on Chinese investments and industrial capacities or uncontrolled labour migration from China. An additional important source, Kazakh expert Konstantin Syroezhkin, in the article "Transport Corridors in Eurasia: Economy or Geopolitics", stresses that the Chinese project has "an undisputable advantage" as Beijing is ready to invest a good deal of money in a very short period (Syroezhkin, 2015).

In Russia, director of the Analytical Centre of Institute of International Studies (MGIMO University, Russia), Andrei Kazantsev, in his article "Transport Corridors through Central

Asia: How to Create Integrated Network amidst Geopolitical Tensions?" concludes that despite good-looking plans to Central Asian development, countries of the region should overcome existing geopolitical contradictions and form a common ground for cooperation. Otherwise, the implementation of any, even the most successful, infrastructural project will take decades (Kazantsev, 2015).

From the American side, this research focuses on a paper of particular interest titled "2016 Global Forecast" by Centre for Strategic and International Studies" (CSIS) experts Craig Cohen and Melissa Dalton. They emphasise that the U.S. government is ill-equipped to have a leading role in regional mega-development, while China can push OBOR forward for a short time, but overinvestment in mega-projects might make the Chinese economy vulnerable (Cohen and Dalton, 2015). Bruno Maçães, Ivan Zuenko and other contributors to the Carnegie Endowment for International Peace hold almost the same views. In their articles, they focus on the geopolitical dimension of OBOR, stressing that the project may be economically unsound for China (Maçães, 2016; Zuenko, 2016). It is also worth to notice that American experts in both CSIS and Carnegie do not mention the American "New Silk Way" project.

Besides, a significant contribution to this article is the book "China's One Belt One Road Initiative" written by Chinese scholars Tai Wei Lim, Katherine Hui Tseng and Wen Xin Lim. Looking at the economic and political dimensions of OBOR, they agree that the project has a great chance to change the geopolitical landscape in Central Asia in favour of China, given China's vast financial, human and political resources (Lim et al., 2016). Of the numerous news sources, the most useful for this paper were official governmental resources that reflect official points of view. In Russia, the Kremlin's attitude towards "New Silk Road" and OBOR is conveyed in "Rossiyskaya Gazeta". The government of Kazakhstan publishes its statements in "Kazakhstanskaya Pravda" newspaper, and the People's Republic of China

megaproject has fundamental differences. This is primarily due to qualitative changes to technology. Besides, the significant amount of goods to be traded via the proposed route is reckoned to have a massive geopolitical impact on this proposed supply route (Cheng, 2016).

Within the framework of the OBOR project that covers the regions with almost 30% of the world's Gross Domestic Product (GDP), Beijing intends to implement a range of transport, infrastructure and telecommunication projects from China to Europe through Central Asia, South Asia and the Middle East (Huang, 2016, pp.314-321). Particular attention is being paid to the transport component because China not only aims to transfer goods and passengers from Asia to Europe but also aims to sell the transport itself — locomotives, trucks and planes. Moreover, the development of transport infrastructure directly serves the second goal of the Chinese alternative to the "Silk Road", specifically the trade development in the participating countries and support in developing their economy to a level capable of guaranteeing the sufficient purchasing power and demand for Chinese products (Eom, 2016, pp.1-2). Chinese authorities immediately repudiated connections with "Marshal Plan" to their project, saying that the implementation of infrastructural projects does not suggest the control over neighbouring countries (Lim et al. 2016).

The OBOR is supposed to implement projects in four directions: to improve regional infrastructure; to increase the level of cooperation of regional economics; to lower trade barriers and to promote the development of cultural relations for future projects. Xi Jinping, the president of China, stated that owing to new projects, the annual trade volume will surpass \$2.5 trillion over the next decade — the sum equal to the estimated investments into the project. According to the Ministry of Commerce of China, for the first six months of 2015, Chinese companies have signed 1,401 agreements on the implementations of the infrastructural project in Central Asia. These contracts are worth

about \$37.6 billion and make out 43.4% of the total number of contracts signed during the specified period (Zimmerman, 2015). By April 2016, the share of "One Belt One Road" newly-signed contracts has risen to 52.5%, amounting \$31.12 billion (Ministry of Commerce of the People's Republic of China, 2016).

The Chinese believe that the economic development will help the countries of Central and South Asia (Afghanistan and Pakistan in particular) to get free from such notions as "terrorism" and secure transport routes. The idea is that most Afghans work on opium fields or join extremist and terrorist groups (Taliban or ISIS-Khorasan) as militants, because of lack of workplaces on territories controlled by the official government. New infrastructural projects are aimed at creating new jobs that, supposedly, would prevent people from joining a terrorist organisation.

The issue of transport safety is one of the central problems on the way to implement the infrastructural projects. For instance, the China Pakistan Economic Corridor passes through three hazardous explosion provinces: the Xinjiang Uyghur Autonomous Region in China and the provinces of Khyber Pakhtunkhwa and Balochistan (where the highly important port of Gwadar is located) in Pakistan. Besides the human factor, this route in recent years has repeatedly been exposed to the forces of nature. In particular, on 4 January 2010, a massive landslide near the town of Karimabad flooded the 20 km area of the "Karakum" road, including a 310-metre bridge, which was restored only in 2015.

Even though trade routes are passing precisely over the borders of a hazardous Afghanistan, the neighbouring country remains quite dangerous for OBOR. Afghanistan shares the borders with the Xinjiang Uyghur region, through which the future trade routes will certainly pass (the province have borders with seven countries — Tajikistan, Kyrgyzstan, Kazakhstan, Russia, Mongolia, Kashmir and Afghanistan). Beijing fears that separatists from the East Turkestan Islamic Movement, many of whom have found refuge under the wing of Al-

Qaeda in Afghanistan and the Islamic State, will return to their homeland. Chinese authorities call Afghanistan the "Eurasian Land Bridge" due to its "exceptional geographical advantages" and intend to make it a "major transport, trade, logistic, the cultural, scientific and educational center" (Ministry of Foreign Affairs and Ministry of Commerce of the People's Republic of China, 2016).

Given such objectives, Chinese Ambassador to Pakistan, Sun Weidong stressed that China anticipates enhancing cooperation with Iran on the \$46 billion China-Pakistan Economic Corridor (CPEC) project. This Chinese-Iranian cooperation aims to weaken U.S. influence in the Middle East, cooperation that looks like a practical implementation of the principle—"the enemy of my enemy is my friend". Iran, a potential regional leader, is also interested in establishing a new trade corridor through Pakistan to provide supplements for its growing free-from-sanctions economy and in strengthening relations with Islamabad, a close friend of Iran's regional rival – Saudi Arabia. China already has several trade routes with Iran through Turkmenistan, Afghanistan and Azerbaijan, but the idea of CPEC is to build additional routes (both railroads and highways) for Chinese energy imports from the Middle East that will help to decrease Chinese dependence on sea routes (Wilson, 2016).

In the framework of its infrastructural projects' implementation, Beijing intends to design on its own and request assistance from international organisations. The only condition is that Western forces will not influence the projects, for Asians should handle "Asian problems", as firmly believed in Chinese academic circles.

China began the search for financial resources within internal sources. In April 2015, it became known that China Development Bank and the Export-Import Bank of China would invest \$62 billion to support OBOR projects (\$32 and \$30 billion respectively). The China International Trust and Investment Corporation (CITIC) would spend another \$113 billion in debt financing to support more than 300 projects under OBOR. The People's Bank of China has planned to

invest \$20 billion in 2015 and another \$100 billion over the next three years. Additionally, in December 2014 Beijing founded the "Silk Road Fund" with a capital of \$40 billion, \$16 billion of which will be used to finance infrastructure projects in Central Asia. In mid-April, the People's Bank of China announced the first investment of \$1.65 billion in the construction of a hydroelectric power station on the Jhelum River in northern Pakistan (Freeman-Jr., 2015).

Another sufficient financial instrument for China's plans is the recently established Asian Infrastructure Investment Bank (AIIB). It is planned that AIIB will pose as an international institution for 57 countries with a capital of \$100 billion. In the West, the AIIB is considered an analogue to the Bretton Woods institutions (IMF, IBRD and the World Bank), which mostly represent the developed, rather than developing countries. However, it is difficult to talk about the independent nature of AIIB, taking into account that 30% of the assets belong to its chief founder – China (Kuo and Tang, 2015).

It is believed that the New Development Bank (NDB), founded by the members of BRICS in July 2014 with a start-up capital of \$50 billion, will support the OBOR. Beijing is flattered by the fact that the first project of NDB will be the investment in the Chinese Yuan, however, as experts insist, due to the equal shares of the BRICS members in the NDB, it will be quite challenging to persuade all the five countries to invest in OBOR projects. Instead, the Shanghai Cooperation Organisation (SCO) is ready to provide definitive support, in spite of the fears on the Russian side over the expansion of China's influence in Central Asia. For example, Kazakhstan, one of the most active members of SCO, is ready to invest at least \$9 billion into infrastructure development (Blood et al., 2016).

Primarily, in March 2015, the Secretary-General of the SCO, Dmitry Mezentsev, announced that the organisation should combine development strategy with China's "Silk Road" strategy and that all of the members are invited to participate in this project (Dudina, 2015). Four

months later, President Xi Jinping and President Vladimir Putin agreed upon to take steps to integrate OBOR within the framework of the Eurasian Economic Union (EEU), using the SCO as a platform (Orient Advisory Group, 2015).

Based on extensive support, China has developed at least 17 projects that will be under construction in 2017. Among them are the extension of Baku International Port Alyat, the building Kuala Lumpur – Singapore, Baku – Tbilisi – Kars, China-Laos, Dali-Ruilu railroads, creation of Amur bridge, Samarga port, Busan New Port Expressway II, M-11 Moscow - St. Petersburg and Karachi-Hyderabad motorways, Turkmenbashi International Sea Port, Ukraine Bypass Rail (Zhuravka-Millerovo), East Coast Rail Line, Hong Kong-Zhuhai-Macao Bridge, Chabahar Port and Karakoram Highway (Center for Strategic and International Studies, 2016).

Impressive Start and Failure of American “New Silk Road”

In 2011, the Executive Office of the U.S. President Barack Obama announced the launch

of its new project, the “New Silk Road”, to unite Central Asia with India, Pakistan and Afghanistan into a single transport corridor. The then Secretary of State, Hillary Clinton stressed that the “New Silk Road” is a regional approach to peace in Afghanistan and Central Asia after the withdrawal of the U.S. and International Security Assistance Force; (ISAF) combat forces from the region (Clinton, 2011).

The United States as well as OBOR stand for the implementation of major infrastructure projects and even identified up to 40 of them (Kucera, 2011). However, for the past four years since the launch of the project, the U.S. can continue to boast only two large-scale ventures. They are — TAPI pipeline (Turkmenistan - Afghanistan - Pakistan - India), the construction of which was announced at the end of 2015, and the power project to supply electricity from Tajikistan and Kyrgyzstan to Afghanistan and Pakistan, under the title of CASA-1000 (Figure 2).

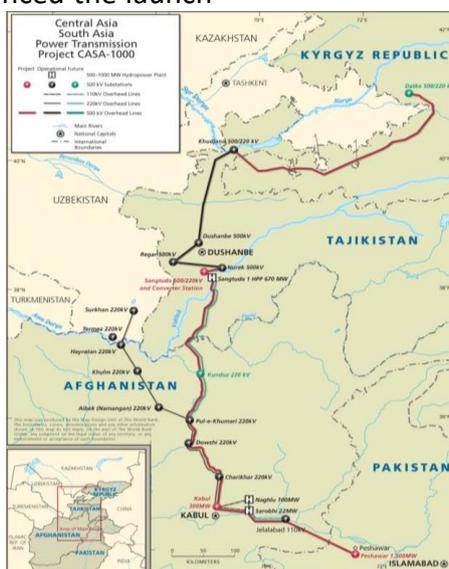


Figure 2: The Map of CASA-1000

Source: CASA-1000 official website, <http://www.casa-1000.org/>

The TAPI project came to a standstill due to lack of proper funding and lack of construction conditions including the lack of security as one of the critical problems, but the CASA-1000 project is still developing as was planned. Funding for the project, which should be completed by 2018, comes from the World Bank, the Islamic Bank and the USAID agency. The planners arranged for excessive electricity

from Tajikistan and Kyrgyzstan to be sold to Afghanistan and Pakistan (300 and 1000 MW, respectively). The authorities of Kabul have estimated that the transit of electricity will bring only \$45 billion annually. The American project piqued the interest of even China, a state usually wary of joint initiatives, and a nation that has not given an official consent for their participation. By contrast, Afghanistan,

Pakistan, Tajikistan and Kyrgyzstan—all signed the agreement in Istanbul in 2015.

However, the Americans agreed upon to China's participation in their project, but they also fear Chinese supremacy in the region and secretly discourage their allies to participate in AIIB. "It is important for the U.S.A. that the space between China and Turkey was open to American investments and free from foreign hegemony and radicalism", said Ariel Cohen, the American analyst (Heritage Foundation Conference, 2015).

Officially, Obama denied reports about strong U.S. opposition concerning the strengthening of China's role in international financial institutions. However, Beijing does not gravitate toward close cooperation with the West over the "silk" projects. At the same time, members of AIIB expect offers of equal value from the West. The office does not suggest any new ideas, confine itself to local projects such as the reorganisation of Afghanistan Customs Department (a department that allows trains to reduce the time of customs clearance nearly three times), or study the construction possibilities of potential railway tracks on the territory of Afghanistan. Curiously, the construction of railways lies in the spectre of interests of both nations, but the U.S. and China have not yet found common points. Beijing promotes projects in this direction, financing them through the Asian Development Bank. In 2011, a 75-km long railway was built from Mazar-i-Sharif to Hairatan on the Uzbekistan border. In December 2014, China, Kyrgyzstan, Tajikistan, Iran and Afghanistan signed an agreement to build a railway linking the Kashgar Prefecture in the Xinjiang province with the Herat Province in Afghanistan, from where the goods transfer in the direction of Iran.

Despite multiple contradictions with Beijing, Obama's administration regularly declared that China's project plays a decisive role in the development of Afghanistan and the region altogether. Nevertheless, in the "New Silk Road" conference hosted at the "Heritage Foundation" in December 2015, Amos

Hochstein, the Coordinator for International Energy Affairs of the US Department of State, set U.S. goals to be the implementation of the "New Silk Road" and China's role in these goals:

We have spoken on this topic in government circles, brain trusts, business circles, and they all focused their attention on Europe's energy security... It is one of the principles of the Silk Road — to supply energy to Europe...So, why do we not integrate all major projects, such as CASA-1000, Baku–Tbilisi–Ceyhan pipeline and Southern Gas Corridor, into one united "New Silk Road"? Why do gas and electricity go only in one direction? We must ensure that goods and services are spreading in all directions, where we can reach...I think that the Chinese project correlates with our goals to some extent. But we are consumers and China is the seller; physically we are not neighbours with Central Asia, and China has direct contact with it (Heritage Foundation Conference, 2015).

On account of this statement, Hochstein emphasised that China and the U.S. have different approaches, but the same goals—development of the regions, energy security of Europe and ability to diversify supply routes of hydrocarbons for suppliers and consumers. According to him, the U.S. should lend maximum financial assistance to the region of Central Asia and the Caspian Sea, to provide choice to exporters of goods and energy resources, in particular, where they should distribute these resources - not only in Europe but also in Asia. However, the representative of the Obama administration did not announce specific figures and plans for financing development projects, and will not likely announce figures or plans in Donald Trump's presidency.

Given a long distance from Central Asia and numerous obstacles, the Obama administration focused on another project, known popularly as Trans-Pacific Partnership (TPP) that is aimed at deepening economic integration in South Asia

with engagement to the Central Asian region. The partnership of 12 Pacific Rim countries accounts for over 40 per cent of the global GDP, and countries consider it overweight and insurance against Chinese economic expansion (Ba, 2016.). Moreover, pushing forward the idea of similar cooperation with Europe (Transatlantic Trade and Investment Partnership); Washington has been slowly fenced in China with two U.S.-led trade alliances based on internal protectionist barriers against Chinese goods. Indian Professor B. R. Deepak emphasised that developed countries see China as “the violator of the WTO rules”, because of its currency manipulation, violation of the copyright laws, manipulation of the export prices,” etc. (Deepak, 2015). For the avoidance of Chinese dominance, TPP offered a trade space for countries that respect global economic rules and adhere to U.S. standards of labour and environment – requirements that China cannot meet today.

Despite the evidence, the Trans-Pacific Partnership never officially defined itself as an “anti-China” partnership. The former U.S. President Obama stated that TPP is open to China, while the Chinese government welcomed the U.S. to join the OBOR project. Both governments were so diplomatic since the TPP and OBOR cover different areas – South Asia and Central Asia respectively. If the “Wilsonian” U.S. foreign policy had been continued, Chinese and American interests would have overlapped in the nearest future.

However, at the end of 2016, then U.S. president-elect Donald Trump stated that the U.S. would withdraw from the TPP on his first day in office. And he fulfilled the promise. He believes that the TPP agreement provides too many opportunities for Asian corporations as to deprive jobs of American workers and cut benefits to U.S. companies (Subramaniam, 2016). Instead of the multinational project, Trump is pursuing bilateral trade agreements with every country interested in investing in the U.S. economy. This means that TPP has lost its crucial contributor. Japan's Prime Minister,

Shinzo Abe, once affirmed that without U.S. participation, TPP would be “meaningless” (Woolf, 2016).

Content-analysis of Media: Estimation of Silk Road Projects in Interested States

It is worth noting that the U.S. and China are not the only countries engaged in the development of Central Asia, but the implementation of mega-infrastructure projects will directly influence the economies and geopolitical strategies of the two principal actors in the region – Kazakhstan and Russia that supports both “Silk Roads”, but with some reservations.

The primary source broadcasting Kazakhstan's attitude towards the projects is an official governmental newspaper “Kazakhstanskaya Pravda”, which has published approximately 50 articles on the OBOR in the last two years. Contrarily, just four of the published articles deal with the “New Silk Road”. Discussing OBOR, journalists and officials regularly stress the importance of the project to Kazakhstan's economy and bilateral cooperation with China on over 51 projects that will cost China more than \$26 billion. The Kazakh media has illuminated not only official meetings held by President Nursultan Nazarbaev and members of the government, but also academic conferences, roundtables on touristic potential, auto-championship “Silk Road” and even published articles written by pupils.

“Kazakhstanskaya Pravda” does not contain any criticism of OBOR as is evidenced by positive highlights — that is, “Rapprochement with China”, “Potential of Great Way”, “Outstanding Model of Strategic Partnership”, “and Silk Road of Friendship”, etc. The newspaper argues that bilateral cooperation over the international OBOR project and Kazakhstan's internal infrastructural initiative “Nurly Zhol” will make Kazakhstan a major player in Central Asia and add political scores to the global arena, while the American “New Silk Road” is mentioned just as a tool to de-escalate tensions in Afghanistan using CASA-1000 and the TAPI-pipeline (Manaspaev, 2014). Here is a typical

paragraph from articles on Kazakhstan-Chinese relations:

China and Kazakhstan have long-standing partnerships and friendships. China welcomes the steady development of relations with Kazakhstan, as well as increased political trust and cooperation between the two countries. Regular meetings between President of Kazakhstan Nursultan Nazarbayev and President of China Xi Jinping contribute to further strengthening of bilateral relations (Seydildaeva 2016, 10).

The only reservation Kazakhstan regularly stresses is that Astana welcomes Chinese policy aimed at establishing friendship instead of hegemony (Boranbaeva, 2016).

Russia also supports the OBOR and development of Central Asia, but unlike Kazakhstan insists on the cooperation between China and the Eurasian Economic Union (EEU) that is mentioned many times in its official governmental newspaper "Rosyiskaya Gazeta". Given that the main OBOR routes go around Russia, as a leader of the EEU, participating in the project is the only way for Kremlin to keep a political ability to outweigh Chinese economic advantages and influence over political ties of any EEU member with China. Also, in several articles President Vladimir Putin, Minister of Foreign Affairs, Sergey Lavrov, then Chairman of Russian Parliament, Sergey Naryshkin and Chairman of the Federation Council Valentina Matvienko mentioned a "Great Eurasia" – a union of EEU and OBOR – which indicates Moscow as a place of cooperation over mutual geopolitical interests before its individual interests (Petrov, 2015).

However, Russian officials stress at least two risks in its close cooperation with China – that is, to become its "little brother" given Chinese economic and political power, and to be harmed in case of an eventual collapse of the Chinese economy (Maslov, 2016). Both of these risks may occur, experts say, but Russia should give the cooperation a shot and use Chinese

economic potential for development of Russian and Central Asian infrastructure. As a result, now the EEU and China have a list of 40 projects with a total cost of more than \$30 billion (Zubkov, 2016). Some of them have a crucial meaning for Chinese trade, such as future trade corridors in Primorye with a carrying capacity of one-sixth of the total Chinese trade (Galushka, 2016).

In Chinese media, there are hundreds of articles and thousands of news devoted to OBOR. Journalists analyse political, economic, cultural, and social dimensions to the project and the benefits from regional development for China. The government of the People's Republic of China expresses its point of view mostly through its official "Xinhua News Agency". For the last two years, the agency published no less than one-hundred news articles on the OBOR initiative, the great majority of which describe dividends that countries will give to China after joining the project ("One Belt One Road to bring," 2016). Kyrgyzstan will provide assistance to the opening of an oil refinery factory and the "Datka-Kemin" 500kV power transmission line ("Interview: Kyrgyzstan welcomes," 2016); Russia and Kazakhstan, vast investments into infrastructural projects (Lim et al, 2016); Uzbekistan, cooperation on industrial parks (Xinhua News Agency, 2016); Belarus, a gateway to Europe ("Belarus may turn," 2016); etc. Within the articles, the agency carefully mentions some troubles and obstacles, but never criticises the project.

It is also worth taking notice that news agency often uses the American name "New Silk Road" to determine OBOR's part going through Central Asia. Moreover, there are no mentions of the U.S. project except for in a couple of articles on the TAPI investment agreement, which indicate that the Chinese government does not consider the "New Silk Road" a viable alternative to Central Asian development ("TAPI-pipeline to help," 2016).

In the U.S., official news about the "New Silk Road" is published on the website of U.S. State Department, but the majority was published

almost two years ago while the latest texts are dated April 2016. In the whole volume of information, the U.S. officials stress two key ideas in their projects and plans for Central Asia in future. At first, that the "New Silk Road" was supposed to serve as an economic driver for Central Asian and Afghan development with diminished U.S. combat presence and Afghan National Security Forces ("Daniel Rosenblum's Remarks," 2016). Second, that the "New Silk Road" and OBOR are not rivals, and that the U.S. welcomes China's development in the region. "The more investment you can bring in infrastructure in the region, in Asia more broadly, we think the better", in the words of former Deputy Secretary of State Antony J. Blinken ("Antony J. Blinken's remark," 2015). As for successes, the United States commemorate CASA-1000 and under-construction TAPI-pipeline and share a vision of a stable and prosperous Central Asia ("Central Asia: What's next?" 2015). However, after April 2016, there was no official information about the "New Silk Road" or U.S. investment plans for the region.

To sum up, it is safe to say that significant players express almost the same point of view on Central Asian development. First, Kazakhstan, Russia, and the U.S. support the Chinese OBOR because it brings investments into depressive and unstable regions. Second, all of the governments express worries about prospective Chinese political and economic strengthening in the region. Third, none of the governments considers the U.S. "New Silk Road" a viable project.

Conclusion

In conclusion, it should be noted that cooperation between the two states, the U.S. and China, in one united megaproject of the "Silk Road" would bring significant dividends to the region and each of the participants. However, mutual suspicions and lack of trust prevent the countries from uniting to achieve common goals. For many years, the U.S. has attempted to implement many initiatives in the region, while China has launched its project only recently.

Beijing is concerned about the economic development of Central Asia concerning road construction, infrastructural centres and large projects. Beijing plans that goods be sold not only in Europe, but also in Asia, and also believes that it is necessary to help the developing republics to maintain stable consumer demand. The U.S. plays a supporting role in this, and the Chinese authorities have agreed to join forces in many projects; however, the Chinese government does not intend to share leadership and dividends with Washington.

The American authorities, for their part, fear that China's excessive activity would turn the country into a Central Asian hegemon. Nonetheless, they admitted that the OBOR benefits the region, especially Afghanistan and Pakistan. Stability in the region plays into the hands of the primary goal of the West – the energy security of Europe and diversity of supply routes.

Today, it seems that the U.S. has not yet developed a single response to China's economic expansion in the region – whether to support or to put spikes in the wheel. Moreover, the Republican arrival to power in the U.S. Congress and Trump's victory in U.S. presidential elections have reversed eight years of Wilsonian policy, which implemented free trade across the globe, and replaced it with an isolationist approach that was demonstrated in its withdrawal from the TPP and its decreased presence in Central Asia. Experts tend to agree that this shift means the sunset of the "New Silk Road" initiative of the U.S.

The failure of the "New Silk Road" and Trump's rejection of the TPP has turned into a Christmas gift for China in the region. The current situation offers opportunities for Chinese infrastructure and investment projects, and they already re-energised discussions on the Regional Comprehensive Economic Partnership, or RCEP, and Free Trade Area of the Asia Pacific, or FTAAP. Nonetheless, China should weigh up, firstly, its own economic capacity to implement all these projects in Central Asia, the Middle East and South Asia, and, secondly,

the willingness of Asian countries to follow Chinese trade rules. The outcomes can be surprising.

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