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ONE BELT ONE ROAD (OBOR) AND THE INCREASE OF CHINA'S GLOBAL INFLUENCE

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Abstract

One Belt One Road (OBOR) is a development strategy proposed by Chinese leader Xi Jinping focusing on connectivity and cooperation among countries in Eurasia. OBOR revives silk road which covers strategic areas that crossing Asia, Africa, and Europe. OBOR is designed for trade purposes that can multiply trade profits with a multiplier effect. This development strategy is carried out by China as a manifestation of China's determination to take a greater role in global development and create a trade network that will be based in China. In a global scene, OBOR is China's real action in promoting trade, establishing unilateral liberalization, free trade agreement, and new international organization. Those actions are relevant to the principle of

Liberalism. OBOR initiative was originated from the concept of Chinese Dream which was first popularized by Xi Jinping in 2013. Chinese Dream aims to rejuvenate the Chinese nation, modernization, economic prosperity, and national glory. OBOR is China's effort to become a hegemon country, especially in Asia, generally in the world. In this research, the authors use Antonio Gramsci's theory of hegemony and the Liberalism theory to analyse China's efforts to realize its dreams to become a country that carries out cultural leadership that is not only superior in the economy but also in politics. The authors apply descriptive-analytical method and library research. The aims of this research are to know in what extent China's success in embracing Eurasian countries to create a trading system that benefits both China and the countries involved, to analyse how OBOR creates economic interdependence in the region and how OBOR is used to strengthen China's geopolitical power on a global scene.

Keywords

One Belt One Road, China, Chinese Dreams, Liberalism, Hegemon Country

1. Introduction

1.1 Background

The type of world power used to be unipolar after the United States (the US) defeated the Soviet Union in the Cold War. Unipolarity is a situation in which one superpower country dominates the international system (Griffiths & O'Callaghab, 2002, p. 13). After that, emerged new powers that are mostly from Asian countries such as Japan, India, and China. However, recently world power is categorized into a bipolar system in which the most powerful and influential states are the US and China. Bipolarity exists when two states or bloc of states are equal in power (Griffiths & O'Callaghab, 2002, p. 13). China is a newcomer, China is also called a sleeping giant that wakes up. China and the US are competing to control international trade. Yinhong mentions that China and the US are in 'asymmetrical competition'. Right now, almost the whole world feels that in overall assessment China is progressively advancing the lead (Yinhong, 2011, p. 2).

While Torre in his book states that the world is moving from the US as the sole superpower to multipolar centres, and this change will be better for world peace and stability (Torre, 2017, p. 86). Multipolarity refers to a situation in which there are at least three great powers (Griffiths & O'Callaghab, 2002, pp. 13-14). China has shown its attempt of trying to

become a hegemon country in the world. Xi Jinping after elected to become the leader of China on December 2012, two days after the entry of the fifth generation of Chinese leaders coined *Chinese Dream* in a speech at the "Road to Revival" exhibition at the National Museum (Daojiong, 2015). *Chinese Dream* has the same idea with *Make America Great Again*. *Make America Great Again* was initiated by Trump since he was elected become the president of the US that has the same ambitions with *Chinese Dream*. Until now it is still a big question whether the *Chinese Dream* or *Make America Great Again* that will be realized sooner.

The trade confrontation between the US and China in trade war cannot be avoided, the trade war began in November 2017 when Trump saw China as a "strategic competitor". The peak of the war occurred in March 2018 when the US imposing 25% tariff on steel that is exported to the US, as well as 10% tariff on aluminium. This measure does not directly impact on China, however, China has been known as "the largest steelmaker". The US also reported China to the World Trade Organization (WTO) of stealing intellectual property rights. A month after that, exactly in April 2018, China countered US by imposing 15% tariff on products that exported into China. Those products are fruits, beans, wine, and pipe. China also imposed 25% tariff on other products such as recycled aluminium and pork. China then reported US of a one-sided imposing tariff to Chinese products. Regarding one of WTO regulations that among member countries cannot impose tariff. On July 2008, US imposed an additional tariff on China imports worth \$34 billion on products that are categorized into "Made in China 2025" such as machinery, mechanical appliances and electrical equipment (Brown, 2018). China countered US action by imposing an additional 25% tariff on US imports worth \$29.6 billion, including soybeans and vehicles. On August 2018, US imposed China imports worth \$16 billion and China counter by imposing US imports worth \$16 billion, and China imposed the equal number to US imports. On September 2018, US imposed \$200 billion while China imposed in total \$60 billion on US imports.

From the trade war, many scientists argue that none will win. However, China keeps its attempt in establishing One Belt One Road (OBOR) initiative represents the greatest initiative of China to promote economic growth in the region and in the world through infrastructure development. This ambitious infrastructure project aims to connect Asia and Europe. It establishes two main routes: The Silk Road Economic Belt and the 21st Century Maritime Silk Road. In one hand, some countries are suspicious that the OBOR initiative as an unveiled strategy at expanding China's influence. However, in another hand, the nature of this initiative

tries to create a community that shared the same destiny in which countries can share mutual benefits and also coexistence peacefully along the trade routes. Reviving Silk Road is about making the Eurasian continent manageable and conquerable with all its inland seas and steppes mountains. Anyone who succeeded in transporting goods, armies or even religion over the long distance had won (Reiff, 2018). Quoting from Xi Jinping's speech in BRI Forum 2017 that the total trade amount between China and BRI countries within 2014-2016 was more than \$3 trillion and the total of China's investment alone amounting \$50 billion (Reinwick, Gu, & Gong, 2018).

OBOR initiative was originated from the Chinese Dream that turns China into a developed country through the *New Normal mode*. *New Normal mode* means sharing the prospects of prosperity and stability within the entire Asia-Pacific region and beyond. On the realization of OBOR, there are three major aims. *First*, China's need to create new economic corridors based on win-win cooperation. *Second*, the interest of China to strengthen regional integration. *Third*, the desire of China to improve global governance. OBOR can be analysed in three levels of analysis, national, regional, and international. In national level is to revitalize the domestic market. In this domestic market, China applies the New Normal mode that tries to readjust China's economic growth by promoting domestic consumption. In the regional level is to improve supply and chains in Asia. While in international level is to provide additional financial supply to the international order. In international level, OBOR through its financial institutions seeks to open additional economic route abroad by promoting mutual growth, regional integration, and global governance.

This paper aims at analysing China's movement in gaining power in the region, as well as its attempt in creating a mutually beneficial trade hub in Eurasia. Quoting Xi Jinping speech, "We Chinese love peace. No matter how much stronger it may become, China will never inquire expansion or hegemony." (Das, 2016). Even though China still resist the idea of becoming a hegemon country, however, its actions and movements show China's commitment to increase its influence in the region. The authors would like to provide shreds of evidences that show China's attempt to become a leading country in the world by creating a new financial institution, establishing multilateral relations through overseas direct investment and foreign aid, and AIIB role in promoting the infrastructure development. The temporary hypothesis is that those actions are China's real attempt in becoming a hegemon country in the region at the beginning then expanding into the world power.

1.2 Research Question

How is OBOR used by China as real attempt to become a hegemon country?

1.3 Theoretical Framework

To analyse China's attempt in realizing its dream through OBOR initiative, the authors apply the Hegemony Theory as the big umbrella to analyse the issue. In addition, this research also uses Liberalism Theory as an important theory for in-depth analyses so that this research can provide a profound result.

1.3.1 Hegemony Theory

Hegemony is the power of a certain group to dominate other groups. According to Straubhaar, hegemony can refer to asymmetric interdependence in economic, political, and cultural relations among nations (Straubhaar, 1991). While according to Stuart Hall, hegemony is domination and subordination in the field of relations which is arranged by power. However, hegemony is more than just a social power, it is a way to gain and maintain power. The concept of hegemony was first created by Antonio Gramsci, an intellectual from Italy. Gramsci was persecuted by the ruling fascist government at that time.

Gramsci in the prison wrote and emphasized on "superstructure" of the society and institutions that result in the ideology that struggles on sense and power. In his book which was written in the prison, Gramsci several times mentions *direcztione* (leadership and guidelines), and *egemonia* (hegemony) which is opposite to *dominazione* (domination). In this case, at that time Gramsci looked at the condition where he lives in which the government was fully dominating and conducting massive violence, then term hegemony was created by Gramsci. In Gramsci's view, the hegemony of mass media is a tool used by the ruler to revive power, wealth, and status by popularizing their philosophy, culture, and morality. Mass media introduces many elements into individual consciousness that has not been there before and that will not be declined by human consciousness because it is very common in a cultured life (Nordenstreng, 1977, p. 276).

The owner of the media can produce content, and idea tone that give priority to their party rather than the other groups. Because they manage a socialization institution that becomes key, which is media. Therefore, it can be assured that their perspective constantly and is interestingly thrown into the public arena. Hall reveals that hegemony is not a direct stimulation of thought or action, nevertheless framing all definition of realities inside the dominant class that

bring every alternate firmament of though (Lull, 1995, p. 34). Gitlin (1979) came up with an idea about opinion that is being led by the media.

Gitlin mentions commercial television that tries to influence the audience that they are not public, they rather showing their self as a market, they are not a citizen, they rather showing their self as customers. In this case, a group has the power to influence other groups. Gramsci also mentions that hegemony is leadership because the more powerful group can make other groups follow their thought and action. This concept is very suitable to analyse China's attempt to create leadership in the world. China initiated the digital business that it can be implemented by other countries. By this point, China has shown its new innovation to spread and to influence other countries to follow China's business. In the realization of OBOR, China also promotes foreign direct investment and aid to those involving countries. In this case, China has successfully promoted its project to be supported by countries along the Indian Ocean. It has to be remembered, that the silk route was a very essential trade hub in the past. Therefore, China's master plan is to revive this route to create mutually benefit for all parties.

1.3.2 Liberalism Theory

In international relations, liberalism theory is one of the main theories that become a reference in punctuating certain phenomena. In understanding the political world, liberalism is one of the main approaches (Thomas Diez et.al., 2011). Liberals believe that the political behaviour of a state should be restricted by international law and the establishment of international institutions. International institutions increase interstate dependency by working together through cooperation among countries. The establishment of international institutions enable dispute settlement through negotiation or mediation, it does not go into direct confrontation or war. Liberals believe that the conditions of peace are a common interest of all people in the world, and see international relations as a field that has the potential to develop and make changes to the worldview or thought (Griffiths & O'Callaghab, 2002, p. 51).

There are three main assumptions in liberalism (Griffiths & O'Callaghab, 2002, p. 108)., first, liberalism sees human from a positive point of view. With their belief in reason and human rationality, they were convinced that these rational principles could be applied to international affairs. Second, it is a belief that international relations can be more cooperative rather than conflictual. They believe that humans share many similar interests, thus encouraging activities that require collaboration and cooperation, which will produce greater benefits for humanity. Third, belief on the development. The development of liberalism also means development in

humans. The state is there to bear the freedom of individuals who make them able to live and pursue their happiness without any interference from other aspects.

Jackson and Sorensen divided the theory of liberalism into four main thoughts; namely sociological liberalism, interdependence liberalism, institutional liberalism, and republican liberalism (Griffiths & O'Callaghab, 2002, p. 110). In this research, the authors use institutional liberalism that is appropriate to analyse about OBOR China. Because OBOR establishes many financial institutions that bridge countries within three continents: Asia, Africa, and Europe. Institutional liberalism underlines the importance of organized cooperation among countries. The presence of international institutions makes countries work together to help reduce distrust and fear among countries by providing information among their member countries, as well as international institutions providing a forum for countries to negotiate.

Michael Hass gives a definition of international organization. *First*, an institution or structure that has a set of rules, members, schedules, places and meeting time. *Second*, as the arrangements of the elements becomes an intact unified in which there are no non-institutional aspects in term of these international organizations. The purpose of establishing an international organization is to keep the rules that have been made to run well so that the common interest can be achieved (Bennet, 1997, pp. 2-4). International organization also becomes a place for countries to coordinate activities, as well as negotiate so that the interest of each country can be gained. Karns and Mingst states that an organization has six functions (Karns & Mingst, 2004):

1) *Informational*, through collecting, analysing and distributing data; 2) *Forum*, through the exchange of thoughts and decision-making; 3) *Normative*, through establishing a standard on how a state should behave; 4) Rule creating, through arranging binding agreements; 5) *Rule supervisory*, supervision through monitoring compliance from each country; 6) *Operational*, through the resources allocation, providing technical assistance and aid.

An institution that is created by China in the OBOR initiative will make countries cooperate with each other. Cooperation can be defined as a series of relations that are not based on violence or coercion and are legalized by law. State actors establish work relations through international organization and international regime, which is defined as a set of agreed rules, regulations, norms and decision-making procedures in which the expectations of the actors and the interests of the state meet within a range of international relations (Dougherty & Pfaltzgraff, 1997, pp. 418-419). Cooperation can grow from an individual commitment to shared prosperity. The key of cooperation is on how those countries trust at each other. Thus, the main issue from

the concept of cooperation is based on the fulfilment of self-interest, in which results that benefit both parties can be obtained by working together rather than competing with each other or working by itself (Dougherty & Pfaltzgraff, 1997, p. 419). Dougherty in "The Configuration of Global System" states that international relations are closely related to global issues. The concept of global issues can be defined as problem or challenge that exist in the global order, those issues related to international progress, justice, peace, freedom, and international security (Boyd & Pentland, 1981, p. 16).

According to institutional liberalism, international institutions have several roles, first, provide the flows of information and opportunities to negotiate. Second, as a place for the government to see whether other countries are implementing commitments as agreed. Third, strengthen the pre-existing trust in the solidity of an international agreement. In the institutional liberalism theory, the international organization is one of the actors in international relations. According to Clive Archer, international organizations are a formal and sustainable structure, which is formed by member states both government and non-government consisting of two or more sovereign countries, to discuss a particular issue or so that common interests can be achieved (Archer, 1983, p. 35). In the context of OBOR, the common interests that would like to be achieved by the involving countries are regional security and international trade. OBOR that revives silk route will enable those interest to be achieved by those countries. The financial institutions such as AIIB will ease the development of the project and give benefit to those countries. China also established The New Development Bank, formerly called the BRICS Development Bank, is a multilateral development bank that is planned to be operated by BRICS countries as an alternative for the World Bank and the International Monetary Fund.

1.4 Research Method

Authors apply the qualitative method in this research. Because this method is very suitable to comprehend a complex social interaction, to analyse a social phenomenon that cannot be replaced by the quantitative method, and to analyse the issue deeper. In addition, the definition of the qualitative method is research that is based on the descriptive-analysis. Descriptive-analysis implies that the data used is a descriptive data that generally in forms of words, pictures, written or spoken, those data will be analysed with suitable theories (Sugiarto, 2015, p. 9). In other word, the qualitative method is based on the explanation and analysis of an issue so that it will result in a conclusion. It will also arrange systematic discussion so that the issue can be understood easier and find the red thread. The data sources in this research in this

research is library research in forms of secondary data such as books, scientific journal, and news article both national and international regarding this issue.

2. Finding and Discussion

OBOR repels the concept of Chinese Dream that says the word "dream" implies the symptoms of an obscure dream, that is "the dreamers want to change, while unable to pinpoint exactly what they genuinely want, or not knowing how they could make a beneficial change." (Hong, 2014). OBOR has five main cooperation priorities. *First*, policy coordination. It consists of the promotion of inter-governmental cooperation multilevel inter-governmental macro policy exchange and communication mechanism, mutual political trust, shared destiny, and new cooperation consensus. OBOR underlines the importance of countries in coordinating their economic development strategies and policies. *Second*, facility connectivity. It represents the priority area of the OBOR. On the basis of international law, it underlines the improvement of infrastructure along the OBOR routes in order to create an efficient infrastructure network connecting all sub-regions in Asia, Africa, and Europe. It essentially improves traditional linkages such as highways, railways, postal services, aviation, shipping and pipeline and electricity, custom, border-defence, quality inspection, and planning. It also has roles in promoting green infrastructure and low carbon construction.

Third, unimpeded trade. It plays as the major task in the OBOR framework. It consists of the improvement of the investment and trade facilitation, enhancing customs cooperation, enhancing trade areas, developing modern service trade, and cross border e-commerce. It promotes the removing of investment barriers, fostering cooperation in newly emerged industry, and expanding mutual investment areas. Furthermore, it promotes foreign enterprises to participate in the construction of infrastructure or through investment in the Silk Route. Fourth, financial integration. It represents the fundamental foundation for the implementation of OBOR. It emphasizes the importance of further deepening financial cooperation, establishing a stable currency system, establishing a regional financial risk early warning system, and issuing Renminbi bonds.

It also suggests the joint effort through the Asian International Infrastructure Bank (AIIB) and BRICS New Development Bank. It also strengthens cooperation with financial institutions such as the Shanghai Cooperation Organization (SCO) and the China-ASEAN Interbank

Association. *Fifth*, people-to-people bond. It determines the social factor in collecting public support for the implementation of OBOR. It promotes friendly cooperation in promoting cultural exchange among students. It also promotes the expanding scale of tourism by simplifying visa application procedures along the OBOR participating countries. Furthermore, it strengthens cooperation in science and technology and encourages research collaborations.

In this globalization era, states are independent yet interconnected to each other. This interconnection shapes a complex international system in which states face common global issues related to international trade and political security. However, international organizations such as the World Bank and International Monetary Fund offer a limited solution to problems happening among countries. In this case, China's great role in the international relations arena has taken scholars attention and become endless debate among scientists. The authors can say that China is trying to be a hegemon country because China has demonstrated its ability to act as a responsible power both in economic growth and political stability. OBOR project lies in conflictual areas like the South China Sea. OBOR is promoted to become a possible solution to strengthen ASEAN and disputes countries to have a harmonious relationship among those conflicting countries.

China in overall assessment is trying to become a hegemon country in the world for several reasons:

2.1 China Establishes Financial Institutions

China establishes international financial institutions and will be leading those institutions. Just like the US initiated the establishment of the World Bank in 1944 that aims to reduce poverty and provide loans for capital projects. The US also became a leading country in establishing the International Monetary Fund (IMF) in 1945 aims at reconstructing the international payment systems. It is comparable to the recent endeavour of China in the initiating Asian Infrastructure Investment Bank (AIIB). AIIB is a multilateral development bank that aims at supporting infrastructure development in the Asia-Pacific since it was proposed by Xi Jinping in 2013 and then started its first operation in January 2016. New Development Bank is also one of an infrastructure development banks that supports OBOR initiative. This bank was first established in mid-2014 by BRICS countries (Brazil, Russia, India, China, and South Africa) to finance infrastructure and sustainable development projects within BRICS. Vladimir Putin the leader of Russia stated that on 2017 NDB approved the second package of investment project

worth \$2.5 - \$3 billion in total. sPutin also stated that their implementation will not only be a boost to their economy but also will promote integration among countries.

Furthermore, China also has active participation in multilateral organizations in the region such as in the APEC (1991), ARF (1994), ASEAN-China political consultation (1995), Asia-Europe Meeting (1995), ASEAN-China and APT Summits (1997), Shanghai Cooperation Organization (2001), and in other regional frameworks. By that active participation, it can be seen that China has placed itself as a player in the regional international arena. China has placed itself as a central player in many multilateral organizations and promoting some multilateral initiatives. China has pledged to avoid a disadvantageous sovereignty dispute. China has committed to creating a stable environment through the establishment of new economic corridors under the diplomatic strategy of the OBOR initiative.

By initiating OBOR and its financial institutions, China has put a lot of efforts in placing itself as a great economic opportunity rather than a regional threat. Even though realist sees China's attempt in creating financial institution is diminishing US-Bretton Wood System, however, liberalism proves that China is committing itself to the international community through the establishment of new financial institutions that do not envisage veto power. However, China argues that it does not change the international order, it rather complements the international order through the establishment of the international organization. It is proven by the statements from the leaders of several multilateral institutions such as World Bank, ADB, and EBRD that they denied any ongoing rivalry between them, it rather co-financing (McCalpin, 2017). McCalpin also suggests in his writing that in total there are about 16 AIIB project initiatives being co-funded by those financial institutions.

2.2 China Promotes the Idea of Free Trade in the Region

Hegemon country will become the central country that promoting liberalism idea. In this case, even China was previously running the socialist economic system, however, after converting to capitalism, China has been promoting liberalism ideas. If the US leads NAFTA (North American Free Trade Agreement), China leads the ACFTA (ASEAN China Free Trade Agreement). From this, it can be seen that before controlling the world, the hegemon country will fist embed its influence in the region. Furthermore, this free trade is "mutually benefitting", looking for complementary advantages to all participating countries to share benefits and achieve common development and share the same destiny. Furthermore, China with its FTAs (Free Trade

Agreements) and MES (China Market Economy Status) have recognition from more countries in promoting free trade. Today, 97 countries have recognized MES.

2.3 China offers Foreign Aid to Countries who agree with OBOR Initiative

The US has a similar thing by promoting foreign aid both through bilateral and multilateral ways. In this case, the US also selectively chooses the countries who are in favour of its policies and its position to be given aid. China has generously given loans to SOEs (State Owned Enterprises), this aims at facilitating trade and promoting exports. The Chinese government provides low-interest rate loans abroad. This is one of the most active China's enterprises, in particular, China's states oil company and commodified firms. Aside from that engagement between China and its trade partners, China becomes a fundamental provider of ODI (Overseas Direct Investment). This is a huge transformation because China was for more than 60 years become the top recipient of Foreign Direct Investment (absorbing a total of more than US\$1 trillion between 1979 and 2010), but today China holds US\$3.2 trillion in foreign reserve and many Chinese companies are suggested to invest abroad (Xinhua, 2011).

However, the US persuade some countries not to receive soft loans from China because in the future might be in the debt-trapped. By giving loans, countries are becoming ensnared in a debt trap that leaves them vulnerable to China's influence (Lindberg & Lahiri, 2018). Some countries re-think to accept the loans from China. One of them is Bangladesh, as a country that has achieved incredible progress with regard to reduce extreme poverty in recent years (Chaklader, 2019, p. 331). Bangladesh terminated a plan to have a Chinese state-run firm construct a 214-km (130 miles) highway from Dhaka to its northeast (Lindberg & Lahiri, 2018) due to an allegations of corruption against the state-backed Chinese Harbour Engineering Company (CHEC). Bangladesh is financing itself for the highway and reduce the cost of around \$1,5 billion.

Some expertise are scared that China is buttressing repressive regimes and exploiting developing countries in a neo-colonialist manner through high-rates loans, and most of all coerce the countries invested in align with key strategic and military issues. People see colonialism differently. Ones see it as the production of hybridization rather than the noisy command of colonialist authority (Kaur, 2019, p. 152). Others see it as the exploitation of human and natural resources of the colonised countries. In term of OBOR, China is seen as using the new form of

colonialism that does not involve bloodshed, instead using economic power to make the colonised depends on the colonist.

2.4 China has taken a Role in Solving Disputes in the Region

Even though the scale is not as big as the US at reducing tensions in the conflicting arena. The US as a superpower country certainly takes its role as a world security guardian. The US has become a mediator in various conflicts that happen in the world such as the conflict between Israel and PLO, the conflict between Israel and Syria, facilitating withdrawal of Russian troops from Estonia, when Greece refused to recognize the independence of Macedonia also the US stepped to mediate the conflict. Therefore, the US has contributed its role on a global scale in mediating those conflicts. China as the emerging superpower country focusing on the unresolved South China Sea dispute using OBOR to overcome divergent positions between China and ASEAN countries in the multilateral framework. China also promotes the implementation of a binding agreement that has conceived in the Code of Conducts of Parties of the South China Sea. This China's role in solving the South China Sea disputes is not equal if compared to US roles in mediating conflicts. However, China is having a different attempt with the US in reducing tension in the region through the multilateral framework that possibly might take those involved countries to sit together and talk peacefully. In stalemate status of the South China Sea dispute, OBOR in particular Maritime Silk Road hopefully can constitute an economic and political incentive for ratification of a fully binding agreement.

From those four points above, it can be seen that China is imitating what the US does in maintaining stability in the region. China's motivation in initiating OBOR is embracing three continents at the same time: Asia, Africa, and Europe. The infrastructure connectivity in the long term will lead to free trade that will create mutual benefit for the involving countries. This is in line with Liberalism value that promotes economic growth and progress together, especially for developing countries. Some scholars might think that OBOR initiative is seen from the realist perspective as a way to gain China's national interest only, however, lack evidence in proving that argument.

However, in the OBOR initiative, China does not put an exclusive method in choosing the participating countries. China rather make is inclusive to open possibilities to any countries who want to join and support this ambitious project. China also emphasizes the harmonious relations among countries, there is no threshold for any country interested in participating in this

project as long as there is tolerance among civilizations. Furthermore, China shares the same values with the involving countries in which China is also in a process of becoming fully developed countries by creating equality of economic development. China's infrastructure development tries to connect China's lagging western provinces the South Asian neighbours. It aims at overcoming the lack of infrastructure that reduces economic inequality. In promoting the infrastructure development, China favours a liberal view to open the inclusive nature of OBOR accepting all states into the OBOR project and its multilateral institutions. It brings down the realist view that sees OBOR as a way to gather countries under China's influence, as well as challenging India as the rival of power in the region.

OBOR initiative in international relations can be seen both in realist and liberalist view. For the realist, OBOR is seen as China's attempt to maximize power in the region and embed China's influence in the global arena. The realist sees China's attempt to dominate power in the region and lead the international world order, gaining power in the anarchical world. Realist assesses China's intention to convert harbours into overseas bases along the Indian Ocean which challenge the international order. While for liberalist, OBOR is intended to create economic prosperity for the region, for the involving countries to progress together by infrastructure development that will benefit all parties. Liberalist also sees that OBOR will enhance trade and create a new financial institution.

The OBOR initiative seems to have a significant impact on the economy and geopolitics situation of the region. It affects China's relations with its neighbouring countries and with global powers in the region. However, the OBOR initiative respects market rules and international norms. It gives a play to the market to allocate resources.

3. Conclusion

Those arguments above prove that OBOR is used by China to strengthen its power in becoming a hegemon country in the region and in the world. Argument from the realist that China uses OBOR to only benefit at reaching its national interest is not proven to be right. Because China establishes new financial institutions that accommodating countries need that cannot be done even by international financial institutions such as the World Bank and International Monetary Funds. Asian International Infrastructure Bank (AIIB), BRICS New Development Bank, and other financial institutions will effectively complement the lack of other

international financial institutions role in the world. AIIB is proven capable in accommodating the need of countries in building infrastructure that covers three continents: Asia, Africa, Europe. China's attempt in realizing its dream to be a hegemon country can also be seen from its attempt to promoting liberalism ideas in the region. It consists of promoting the multilateral relations among countries that involve in OBOR initiative.

China is able to embrace other countries to support its project by luring foreign aid that will be given to countries that favour China's policies and position. However, in a long term OBOR initiative will create mutual benefit for the trade and political stability. Furthermore, China also plays its role as the security guardian in the region by promoting OBOR. OBOR is used by China to reduce the tension of the South China Sea dispute. The development of OBOR which lies the South China Sea areas will bring together the involving countries to have win-win cooperation and in the future, China might be able to take those conflicting countries to sit together and talk about the legally binding solution for the conflict.

In the overall assessment, China has done its best in displaying itself to be a hegemon country in the region. Nevertheless, in the international arena, China has to compete with the incumbent the US as the sole superpower. Thus, the rise of China as the new emerging power has become a threat to the position of the US. China's active participation both in regional organizations and international organizations will gradually enhance its position in international politics. Even though right now the world system is bipolar, as the US and China become the main powers. Moreover, even China has a lot of assignments to do to be able to balance US power in various aspect, it is not impossible that the world system might change.

4. Further Research

Further research on the One Belt One Road (OBOR) shall focus on the sustainability of the project and how this project is considered as a "debt-trap diplomacy". Specific research should be conducted to each regions of the projects such as the project in Europe, Asia, and Africa. Particularly Africa which stated by the expertise being the target countries for debt-trap.

Further research will also conduct a separate research for the Silk Road Economic Belt (SREB) and the Maritime Silk Road (MSR) since those two projects have different goals and different participating countries. Indonesia as an archipelagic country is one of country involve

in the MSR. In the future, the author wishes to be able to analyze and assess the MSR for Indonesia whether it becomes threat or opportunity.

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