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Die Implementierung der Seidenstraße 2.0 geht mit der sozialen Ausgrenzung der Uyghuren durch zunehmende Hanisierung, sowie der Zerstörung ihres kulturellen Erbes und der Ersetzung dessen durch Sonderwirtschaftszonen und neue Bürogebäude einher. Xinjiangs wirtschaftliche und infrastrukturelle Entwicklung durch das Wiederaufleben der Seidenstraße hat bereits begonnen. Deren langfristige Auswirkungen auf die Uyghuren und die Außenpolitik Chinas sind noch nicht absehbar.
Abstract

The New Silk Road Project is supposed to guarantee China’s continued economic growth and to create new markets in Central Asia and Europe through the massive infrastructural development. In the course of this Chinese expansion westwards, the development of China’s central and western provinces, which until now have lagged behind the booming megacities on the east coast, become first priority to the Chinese government. Xinjiang, being the westernmost and largest autonomous region in China, is populated by the ethnic, Muslim minority of the Uyghurs and has vast reserves of natural resources. In consideration of the province’s important bridging function due to its favorable geographical location, Beijing now focuses on the economic, social and infrastructural development of Xinjiang, as well as on foreign relations with its neighbors, especially Kazakhstan and Pakistan. Here, Xinjiang occupies a key position as an intermediary to foreign countries and as an economic hub for trade between China and the West. In addition, the town of Kashgar, located in southern Xinjiang, is the gateway to the China-Pakistan Economic Corridor connecting the region with the strategically important Gwadar Deep Sea Port, through which China gains access to the Persian Gulf. The improvement of security along the Chinese border to the unstable neighbor Afghanistan is also a key objective of the project.

The implementation of Silk Road 2.0 goes hand in hand with the social exclusion of the Uyghurs through increasing sinification, as well as the destruction of their cultural heritage that is being replaced by Special Economic Zones and modern skyscraper buildings. Xinjiang’s economic and infrastructural development through the resurgence of the Silk Road has already begun. Their long-term effects on the Uyghurs and China’s foreign policy are not yet foreseeable.
China is a land of superlatives. Not only is it the fourth biggest country behind Russia, Canada and the United States and home to some of the largest cities on the planet, but China also represents the biggest market in the world, pursuing a very successful economic model that culminates in the recent revival of the Silk Road.

However, China also happens to be a land of extreme contrasts. When it comes to the level of technical, economic or educational development, there is a huge difference between western and eastern China, separated almost intentionally – as it seems – along the *Heihe-Tengchong-Line*, amidst the cities Heihe and Tengchong. From bird’s-eye view, it clearly shows how significant the difference really is, and how pressing the matter of assimilation is. The line was drawn in 1935 and divides China into an extremely densely populated east, holding about 95% of the people, and a west with a very low population density.

This social and economic inequality is steadily increasing and urges the Chinese government to take action against it. The urban areas of cities like Shanghai and Guangzhou outshine the western rural regions such as Xinjiang or Tibet that cannot compete with their lifestyle and infrastructure. In recent years, eastern China has recorded an extraordinary economic growth that mainly derived from booming port cities and so called *Special Economic Zones (SEZ)* that benefit from it. Although several economic undertakings also targeted the hinterlands, small villages and rural areas were generally left out.

Now the Central Government, in fear of being defeated by capitalism, sees its influence fading. The Chinese Communist Party – hereafter CCP – has to adapt to the present and continuously changing circumstances. Sixty years after Mao unified the country and founded the People’s Republic of China, its current president and paramount leader Xi Jinping therefore proposed an economic interstate project to

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1 See Fig.1, page 89.
collectively develop infrastructure and enhance international cooperation: The Silk Road Economic Belt.4

Xinjiang, as a province that has been significantly affected by the social and economic inequality, constitutes a proper example for a place that is currently undergoing large infrastructural, social and economic changes, due to the Silk Road 2.0. Other efforts to bring economic development to China’s western provinces predate 2013, before the New Silk Road Initiative – or One Belt One Road Project (OBOR) – was born; yet they took place in much smaller dimensions that all culminate in this late, overarching deal that also incorporates development countries elsewhere.

The difficulty that evolves around the analysis of the Belt and Road Initiative’s impact in Xinjiang, is the definition of spatial and temporal boundaries. The specific topic of research needs a clear frame to differentiate between the important and useful information, and to reject the dispensable. At first gaze, Xinjiang as the selected geographical center seems to serve that purpose. However, the majority of the New Silk Road projects that are implemented in Xinjiang also affect the neighboring countries and are reversely felt in the rest of China; the boundaries become blurred and need to be specified and rearranged. Therefore, the examination is constrained to Xinjiang Autonomous Region, to programs within the province that directly influence other states, bilateral cooperation, and B&R projects in (neighboring) countries that are either linked to and/or contribute directly to Xinjiang’s development. That concerns projects in Pakistan and Kazakhstan, Tajikistan, as well as the different initiatives in the rest of China. On the other hand, countries like India and Afghanistan are being excluded intentionally.

With regards to the dimension of time, the year 2013 constitutes a clear starting point of the Silk Road Initiative. The Asian Development Bank (ADB) provides funds until 2030.5 Nevertheless, the development programs will probably continue afterwards, depending on resources, China’s political line, as well as on external circumstances, like emerging conflicts. Turning to the past instead, the focus will be on the years after 2000 and the Western Development Strategy. Xinjiang’s history will briefly be discussed, particularly after Mao’s unification in 1949.

The ancient Silk Road and its routes provide a proper role model for the new project and are now being reestablished with modern infrastructure. By reviving the Silk

4 The project has various names. See page 24.
5 Reviving the ancient Silk Road: What’s the big deal about China’s One Belt One Road Project. The Straight Times, 12.05.17, retrieved from: http://www.straitstimes.com/asia/east-asia/reviving-the-ancient-silk-road-whats-the-big-deal-about-chinas-one-belt-one-road (04.01.18).
Road, China decided to learn from history. Throughout the Middle Ages, the Silk Road was the most efficient connection between (east) Asia, China, Africa and Europe. Silk, horses, as well as spices and other commodities were transported to Europe, as were cultural traditions and important inventions like paper or the compass. Even then, controlling the Silk Road signified great power. By then, the cities of Xinjiang played a vital role in the trading of goods. The traffic routes started in Xi’an city in central China, moving westwards to Urumqi, where it split up into different directions: Southwards via Kashgar into India, southwestwards to the Arabian Peninsula and further into Northern Africa, and northwestwards into Europe. During that time, the region of Xinjiang was full of caravan cities that were significant junctions of the trading routes.6

1.1 The Research Question: Xinjiang’s Role in the OBOR Project and the Silk Road’s Impact on Xinjiang

Concerning the Xinjiang of today, the Chinese government is particularly interested in its infrastructural development, due to its strategic location in the immediate vicinity to Central Asia and its large reserves of mineral resources, promising great economic potential. However, the province’s unique ethnicity and geographical isolation have been a challenge for Beijing since its integration into China. The area has been subjected to continuous social unrest, caused by the Turkic ethnic minority of the Uyghur people, who until today represent about half of Xinjiang’s population.

The New Silk Road Project – among others – aims for an extensive infrastructural upgrade in Xinjiang to enhance economic development and ethnic unity. The program is supervised by the Chinese government in cooperation with Xinjiang’s local authorities. Most of the companies that fund or contribute to OBOR are state-owned. It is therefore important to illustrate China’s political system, before taking a closer look into the situation in Xinjiang.

To amplify the regional differences inside Xinjiang, the cities of Urumqi and Kashgar represent suitable examples, for they are each the most important city in Xinjiang’s north and south. Located in the slightly further developed north, the strategically residing Han Chinese represent half of Urumqi’s population, while the more traditional Kashgar is still an Islamic hotspot of the Uyghurs, as there had barely been any Chinese influence in this region.

One of Xinjiang’s OBOR hotspots starts in Kashgar, runs through the Karakorum mountain range and heads straight across Pakistan to the new port of Gwadar.

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so-called China-Pakistan Economic Corridor (CPEC) procures China access to the Arabian Sea. Gwadar represents a connection that shortens the shipping time of Chinese commodities to Europe and Africa. In addition, Pakistan has large reserves of mineral resources that Beijing is keen on. Other neighboring countries in Central Asia that China establishes bilateral relationships with, are Kazakhstan and Tajikistan. They are ruled by a substantial government and therefore reliable and promising trading partners. Xinjiang owns the key location to connect with China’s Central Asian vicinity, hence awakening Beijing’s interest.

In the past the CCP’s development projects have had a great success rate when it comes to cities like Shenzhen or Chongqing that emerged out of almost nothing, to the realization of huge infrastructural projects like the Three Gorges Dam or the implementation of a high-speed railway system. Why should the case of Xinjiang be any different?

Xinjiang’s successful infrastructural development throughout the Silk Road Economic Belt, and furthermore, whether infrastructure, modernization and social transformation do correlate constitutes the central research question. In order to answer this question, the change in people’s lives in rural areas as well as within major cities like Urumqi and Kashgar, the new infrastructure and the modernization of Xinjiang will be examined.

1.2 The Applied Sources and Literature

Taking Xinjiang as the center of attention, rather than a transit region in China’s western periphery, aggregates an unusual angle, commonly not assumed by scholars. Either Xinjiang’s cities are being compared to Chinese megacities on the east coast, the province is – among others – part of a survey of the Western Development Program, or it is mentioned in articles about the New Silk Road. The media mainly turns to Xinjiang for stories about Uyghur terrorism or social unrest, and only recently has been referring to the Ancient Silk Road. Literary sources focus on subjects like ethnic unity, Xinjiang’s topography and flora or HIV cases among the local population, that are particularly high these days. Late media information and publications about recent changes in Xinjiang alone are scarce. The impact of the CPEC on Pakistan, or the economic consequences of the Belt and Road Initiative on China, are more popular research questions.

All sources are being listed in the in the Appendix.

Based on Xinjiang’s contemporary development in correlation with social transformations, the impact of the Silk Road Economic Belt can be analyzed.

The primary sources of this thesis are official documents, translated into English, mainly provided and controlled by the Chinese government. These include the official website of the Central Government, the official websites of the OBOR, as well as the official websites of a large number of different state-owned enterprises, media organizations and companies. The pages are often setup very basically and sometimes outdated, providing only a few options and links often navigating to blank pages. The design is kept to a minimum.

The Chinese government generally makes all information available in English, although it is uncertain how much is being left out and whether this information conveys the reality. Official documents like the 12th Five-Year Plan are likewise accessible in full format. The website of the Xinjiang autonomous government is – at least for Non-Chinese users – marginal. Also accessible via internet, though also in print, is the Statistical Year Book China, that records data about all levels of nationwide development, society and living standards. Despite the website’s lack of user-comfort, it provides reliable information. The websites of Chinese companies, like the Bank of China, need to remain competitive and open to international clients and therefore, their websites are more modern, well-structured and user-friendly.

As the OBOR is a prevailing project that is currently implemented, there is a permanent newsflash reporting the updates. Online newspapers, Chinese as well as international ones receive their information from the PCR’s (People’s Republic of China) state-owned media organizations Xinhua, CCTV and People’s Daily. They provide a proper basis of facts and actual data that can be filtered and interpreted. Because of the single-sided channels, different news websites often provide the same information and sometimes even the same exact phrases, citing the same people.

Apart from the Chinese mine of information, there are a lot of other documents related to the Silk Road Initiative, sustained by NGOs and other international organizations. UN Reports, for instance about the Chinese oppression of the Uyghurs and other Turkic peoples are usually well edited, referring to other valuable papers. A surprisingly neatly arranged website is the Pakistani established page about the CPEC. It gives a clear overview of the different projects, providing many of the official project documents. Equally overseeable is the platform Reconnecting Asia, administered by the US-American Center of Strategic and International

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Studies, that offers a map with an overview of all major infrastructural projects in Eurasia and Africa.\textsuperscript{10}

\textsuperscript{10} Reconnecting Asia: Center of Strategic and International Studies, retrieved from: https://reconnectingasia.csis.org/ (14.10.17).
By perceiving the New Silk Road as China’s foreign policy course and as a measure to achieve domestic assimilation of the less developed western region within the country, the analysis is based upon two main theories that deal with peace and development. Both terms are strongly related to each other because development requires peace – at least on site. Most developing countries suffer from war and instability. Xinjiang constitutes a moderate example, nevertheless lacking both development and peace. The province is one of China’s domestic conflict zones that reports a high rate of terrorist activity arising from Uyghur separatists. On the other hand, it also lacks development, compared to China’s urban regions in the east. The two theories will help to understand the proceedings in Xinjiang and define plausible prospects.

2.1 The Capitalist Peace Theory

Numerous connotations twine around the term *peace*. A common definition therefore does not exist, yet there are so many different interpretations incorporating various aspects of life and human cohabitations. In general, they either choose a negative – the absence of war and violence – or a positive approach, referring to personal peace and universal satisfaction.\(^\text{11}\) According to the United Nations, peace represents the absence of violence, war and conflicts and on the other and security, stability and safety.\(^\text{12}\) All of these features to a large extent apply to countries with liberal economic systems and a high level of capitalism.

The Capitalist Peace Theory therefore argues that capitalist states tend to peacefully cooperate with each other and rarely use military forces against each other due their commercial interdependence. Those states are too profit-oriented to risk the high costs of human and financial resources by participating in an armed conflict against


an equally equipped state agent.\textsuperscript{13} The substantial aspect of this theory is that both states in question enjoy a high level of economic prosperity, usually achieved through capitalism. The theory obviously neglects armed conflicts carried out by capitalist states in developing countries, for whatever reason.

The New Silk Road promotes peaceful cooperation through – though not only – Chinese Foreign Direct Investment (FDI), thereby establishing a strong economic interdependence between the participating states. According to the OBOR Project, the economic development and interregional connectivity will lead to prosperity, especially in underdeveloped regions of China and Central Asia. This prospect strongly complies with the capitalist peace theory. Xi Jinping orientates himself by other superpowers, like European countries and the United States that the theory derives from. Xinjiang, as part of the Silk Road Initiative undergoes extensive infrastructural modernization, in order to promote the provinces marginal economic prosperity. The Central Government assumes that economic progress enhances peace, thereby nullifying the Uyghur ethnic minority conflict.

\section*{2.2 The Theory of Infrastructure-Driven Development}

According to the Cambridge Dictionary, infrastructure is broadly defined as “the basic systems and services, such as transport and power supplies, that a country or organization uses in order to work effectively.”\textsuperscript{14} It implies the equipment and mechanisms necessary to maintain a durable and effective economy and society under a state-governance of modern standards. In a nutshell, infrastructure represents the foundation of the modern state.\textsuperscript{15}

Infrastructural classification is divided into material, institutional and personal means. Material infrastructure and institutions refer to all the visible and available facilities, provided to enhance economic progress. That includes roads and rail tracks, cars, energy and water supply, fibre optics and, as for the latter, schools, hospitals, administrative buildings, stores, etc.. Personal infrastructure is defined as human capital, hence the capability of people to be economic agents through knowledge and proficiency.\textsuperscript{16}

\footnotesize
\begin{itemize}
\item \textsuperscript{13} Mousseau, Michael, Coming to Terms with the Capitalist Peace. In: International Interactions, 2010, 36(2), 86-87.
\item \textsuperscript{14} The Cambridge Dictionary, retrieved from: https://dictionary.cambridge.org/de/worterbuch/englisch/infrastructure (12.12.17).
\item \textsuperscript{15} Buhr, Walter, What is Infrastructure? Volkswirtschaftliche Diskussionsbeiträge, Discussion Paper No. 107-03, University of Siegen, Siegen 2003, 1.
\end{itemize}

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As infrastructure constitutes an essential part of state and interstate economies, by opening opportunities, creating new accesses and simplifying communication and other processes, some states, especially the U.S. and China believe in the theory of infrastructure-driven development, that derived from post-war, Neo-Keynesian economics. The theory attributes economic growth to infrastructure. Many developing countries suffer from consistent lack of infrastructure, leaving them unable to achieve progress on any level. Evidently, infrastructure reduces production expenditures and increases economic productivity. The existence of proper institutions, machinery and equipment enhances capacities and improves the quality of products, while an insufficient road network for instance, generates high transport costs and impairs trading activity severely. Access to facilities like school, clean water and electricity, promotes an educated, healthy population, indirectly affecting a nation’s output.

Infrastructure is the essential element of the Silk Road Economic Belt, and regional development in for instance XUAR is Beijing’s main ambition. Relying on the theory of infrastructure-driven development, China initiated the foundation of an Asian Infrastructure Investment Bank (AIIB) in 2016, to provide sufficient financial means for infrastructural projects. The infrastructural upgrade in Xinjiang is being implemented simultaneously to the immigration of Han Chinese, thereby disrespecting the needs of the Uyghurs.

Both approaches correspond with the application of the New Silk Road and help to understand Beijing’s motives and objectives, with regards to Xinjiang. The question is whether development through infrastructure actually promotes peace and solve the Uyghur conflict, or whether the Uyghur conflict has to be solved before development can commence. Xinjiang’s development also depends on economic influences from neighboring states of Central Asia, which are also being enhanced through the New Silk Road.

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19 Firzli, M. Nicolas J; China’s Asian Infrastructure Bank and the “New Great Game”. In: Analyse Financière, 2015, 57, 8-10.
3 China – The New Silk Road’s Trigger: Prospects of an Economic Power

“How China engages with its neighbors, and near-neighbors, and the role it plays on the global stage, will help shape the twenty-first century.”  

Peter Frankopan’s statement explicitly clarifies the importance of China not only within Asia, but among the whole international community. Its strength and power rests upon a united society, a large supply of mineral resources, ongoing economic growth and the quasi absolute power of the Communist Party, whose maintenance is supposed to be guaranteed through the implementation of the Silk Road Economic Belt.

Referring to China with terms like country or state seems, to some extent, bizarre. The enormous size of its territory, the ethnical diversity, and especially the substantial contrast between the east and the west, make it more difficult to understand how the government maintains control over it. With 1.37 billion people – 91.6% of which are Han Chinese – the Chinese exceed any other human population. Due to its size, China offers a large variety of economic options for domestic companies and multi-nationals, turning the country into a forceful international state actor. Today China has emerged to become a world power that, according to the general predictions, will replace the US hegemony in the mere future. Being a permanent member of the UN Security Council and one of five Official Nuclear Weapon States, China is already very influential in the international organization. This influence will reach new dimensions through the implementation of the New Silk Road.

3.1 A short Remark on Chinese History

In order to fully understand the complexity of the Sino-Uyghur relation, as well and Xinjiang’s status within China, a historical background on China appears reasonable.

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Throughout its history, the Asian world order shaped around China. Under various ruling houses the empire took the position of a regional hegemon, as it was immensely powerful compared to its vicinity in terms of military and state power. The Middle Kingdom constituted the center of the world; the people living in the surrounding periphery became tributary states that had to regularly sent presents of respect to the Chinese court, to show acknowledgement to China as a hegemon and to be protected from enemies. Several empires on China’s territory influenced and formed the culture and state of China as it exists today. The rulers of the Han dynasty (ca. 200 B.C.-200 A.D.) were the original founders of the Han Chinese people, that until this day represent the largest ethnical group within China, and around the world. Among all the different power transitions the two most prominent regimes were the Ming dynasty (1368-1644) and the Qing – also known as Manchu – dynasty (1644-1911).23

The core region of China during this time24 ranged from the east coast, north of the Vietnamese border and westwards to Tibet including the Gansu Corridor. The modern provinces of Inner Mongolia and Xinjiang in the Chinese periphery were occupied by individual tribes and kingdoms, but strongly influenced by the Middle Kingdom. The cities of Beijing and Xi’an interchangeably served as the two most important administrative and cultural centers, and as a seat of the government to the different empires.25 The premodern Chinese state maintained a very effective system of bureaucracy that guaranteed its persistence and power and that inspired the state of the art structure of governance. For most of the time, China avoided contact with and appeared uninterested in Europe and admissions for western travelers and tradesmen were scarcely permitted. This extreme protectionism ended when China was defeated by the British in the Opium wars that also seriously weakened the Qing emperor and eventually provoked a revolution in 1911, which resulted in the abolition of monarchy.

The pursuing young republic was soon torn between different political tendencies. The Chinese Communist Party (CCP) was founded in Shanghai in 1921 with the support of the Communist International (Comintern), an organization proclaiming world communism.26 Initially the CCP oriented itself by and cooperated with the Soviets and – through an alliance with the Chinese Nationalists – developed into a mass party. The separation of the alliance resulted in a civil war between 1927 and

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24 See Fig. 2, page 89.
26 Zhang, 2015, 434.
1949 that ended with the formation of the Communist State of China under a Central Politburo, which Mao Zedong was a member of.\textsuperscript{27}

In an attempt to accelerate the transformation into a Communist society and enhance economic development, the CCP launched the Great Leap Forward (1958-1961), an initiative that failed, causing severe famine. The Central Government’s political mismanagement included forced collectivization and the exploitation of the rural population, not only for agricultural purposes but also for infrastructural projects. In the early 1960s Mao Zedong broke with the Central Committee and initiated the Cultural Revolution that lasted from 1966 to 1976. In order to eliminate potential enemies, Mao promoted the abuse and assassination of people operating for cultural institutions, including teachers, bureaucrats, journalists and artists. The period was marked with severe violation of human rights and the death of about half a million Chinese intellectuals. By 1966 the Central Committee was officially under Mao’s authority. Until his death in 1976, Mao made huge efforts to keep the opponents among the CCP functionaries at bay.\textsuperscript{28}

3.2 China’s Political System – Through Modern Communism towards Modernity

China’s choice of Communism as a new, modern, suitable practice of governance for itself, after the collapse of the long-established Qing Empire becomes obvious when considering the country’s immediate political neighborhood to the Soviet Union.

Communism determines China’s political structure and ideology until today and, although in reality the Chinese economy has long since been dominated by capitalist elements, CCP still rules the state and implements the official ideology. However, after almost 70 years of reign, its political course has changed and adapted in response to the external transitions and the Chinese ambition to develop prosperity and to become a global player. Since the aftermath of the Cultural Revolution China has encountered continuous economic growth and social as well as urban development. And even if this only applies to the east and most of the coastal cities, it is still exceptional.

Throughout the CCP’s 70 years of governance, the state was directed by the constitution of the People’s Republic of China that became effective in 1982 under Deng Xiaoping. Except for four minor amendments in 1988, 1993, 1999 and 2004

\textsuperscript{27} Ibid, 435-436.
it has remained unmodified. Communist values as well as the socialist system and democratic centralism are a substantial part of this constitution. The goal of the state is formulated in Article 4 of the constitution as follows:

“To concentrate on the socialist modernization drive along the road of building socialism with Chinese characteristics; to adhere to the socialist road, persist in the reform and opening up program, improve the socialist system in all aspects, develop the market economy, expand democracy, and improve the rule of law; to be self-reliance and work hard to gradually realize the modernization of the industry, agriculture, national defense, science and technology so as to build China into a strong and democratic socialist country with a high degree of cultural development.”

Thereby the party constitutes the most important and most powerful body of the state, higher than the government or any political post. Overall, the CCP has more than 80 Million members. According to the Chinese constitution, the state organization is divided into five different organs that exercise legislative, executive and judicial power. The head of the state is the President and General Secretary of the Communist Party, often referred to as Paramount leader of China. Legislative, executive, jurisdiction and national defense share the next level of governance:

1. The National People’s Congress (NPC) and its Standing Committee (Legislative)
2. The State Council lead by the Prime Minister (Executive)
3. Supreme People’s Court (Jurisdiction)
4. People’s Liberation Army (Defense)

The CCP managed to deploy its potential through two crucial applications, namely a stable political system and intensive learning process. By maintaining an authoritarian One-Party System for over 60 years Beijing managed to implement long term development strategies without any serious opposition. In 2016 China introduced its 13th Five Year Plan. Since 1949 the party has been able to realize their intentions regardless of the time, because there is no resistance. Furthermore, the Communist Ideology unites the Chinese society and enables the CCP to control its people as well as its enormous territory.

The different administrative entities of China compose of 23 provinces and the four municipalities of Beijing, Shanghai, Tianjin and Chongqing. Although the Central Government ultimately oversees all of them, some provinces enjoy more autonomy – economically or politically – than others. In order to keep the state territory together and achieve economic growth these measures are necessary. The government assigns autonomy to those regions populated by ethnic minorities. The five autonomous regions are Inner Mongolia, Ningxia Hui, Tibet, Guangxi Zhuang and Xinjiang Uyghur. They have the right to appoint their own local government that does the decision-making.\footnote{Wu Xiaohui, From Assimilation to Autonomy: Realizing Ethnic Minority Rights in China’s National Autonomous Regions. In: Chinese Journal of International Law, 2014, 13(1), 66.}

3.3 China’s Peaceful Rise to an Economic Power and its National Strategy

Potential is the one term that explains the Chinese rapid advancement in almost every respect. The huge territory not only incorporates a vast pool of mineral resources and enough space for the realization of colossal constructions or economic projects like the Three Gorges Dam, but it also keeps available a supply of human resources (1.3 Billion Chinese) ready to contribute to China’s development. Together China’s territory and its material as well as human resources constitute the largest domestic market on the planet. Therefore, the People’s Republic of China represents a political and commercial power that cannot be ignored by the international community but constrains states to cooperation.

China is enormously important to the global economy, is one of the five permanent members on the UN Security Council and except for Russia the only member that is not governed through democracy and criticized by the international community on human rights violation especially concerning the freedom of speech. However, in contrast to the Global North that seems to have already reached its economic peak, where development slows down and where new fields of innovations are required, China is still undergoing a process of development. The Central Government takes every effort to keep the economy dynamic. And although the economic growth has been slowing down since 2007, it nonetheless exceeds the commercial progress of the western powers.

The stable, long-term governance empowers China to directly analyze and learn from the West and conduct intensive scientific research, in order to develop its industry and assimilate to Western standards. This analysis primarily happens through the purchase of high-tech products that are then examined and copied in China. That involves the Chinese construction of planes, high speed railway, and is
also applied in the production of energy. Likewise, the Chinese state annually sends thousands of students abroad where they acquire scientific knowledge that can later be applied in Chinese production.\(^{33}\) In pursuance of economic development, the Central Government promoted the deliberate market liberalization, through the establishment of Special Economic Zones around cities with strategic commercial assets. In combination with the aforementioned potentials, China therefore has a comparative advantage towards other industrial nations that are increasingly dependent on Chinese resources and equipment.

Today China maintains a large number of Special Economic Zones (SEZ), that by now exist in different variations. The constitution does not allow capitalism and only limited foreign trade which aggravates competitive economic development. The Central Government circumvents these obstacles by creating exceptions. These zones are established within regions reporting low economic progress despite their potential. By declaring them SEZ, they receive trading privileges and deliverances such as tax relieves, as well as infrastructure in order to attract (foreign) companies and facilitate trade.\(^{34}\)

In the years of recovery after Mao, his successor Deng Xiaoping pursued a policy of reformation. From 1979 onwards, the government’s slogan became “Reform and Recovery”, concentrating on the development of living conditions and the Chinese economy. The first four SEZ were created in 1980, in the suburban regions of the cities of Shenzhen, Zhuhai, Shantou and Xiamen.\(^{35}\) When those Economic Zones proved to serve their purpose, the Central Government proceeded to set up various types of economic zones all over China:\(^{36}\)

1. Economic and Technological Development Zones (ETDZs)
2. High and New Technology Industrial Development Zones
3. Export-oriented Manufacturing Zones
4. Bonded Areas
5. Cross Border Economic Cooperation Zones (CBEZs)

\(^{33}\) Daily Mail, China is using its students and professors at US colleges to SPY on America, FBI Director warns, as it bids to become the world’s dominant superpower. The Daily Mail, 14.02.18, retrieved from: http://www.dailymail.co.uk/news/article-5392211/FBI-Director-Chinese-spies-infiltrating-colleges.html (02.03.18).


\(^{35}\) Yeung, Yue-ma; Lee Johanna; Kee, Gordon, China’s Special Economic Zones. In: Eurasian Geography and Economics, 2009, 50(2), 223-224.

6. Tourism and Leisure Zones

These subtypes usually distinguish from the conventional SEZ in their size. While SEZ cover the area of whole cities or even provinces, ETDZs and the other, even more, special zones constitute an industry park attached to a city, specialized on high-tech, a certain scientific field or a distinct type of trade. The construction of such zones has become a crucial part of Chinese commercial policy on a domestic level. Since the 1980s the SEZ and their favorable trading conditions have played a key role in China’s continuous economic growth.\(^{37}\)

China is hence equipped with zones distinctly designed for economic purpose, substantial resources, an army of human resources and a growing middle class that constitutes the greatest consumer society in the world. The emerging middle-class purchases cars, computers and mobile phones; it uses the provided infrastructural system of trains and planes, and increasingly consumes energy. Under these favorable conditions general protectionism paired with well-aimed distinctive commercial zones open to foreign trade, the Central Government created a successful economic model. Notwithstanding, these advantages need to be financialized and are not randomly available to all the provincial-individual aspirations but are sanctioned by the Central Government after appreciating the self-asset.

The slow stagnation of the economy is attributed to cumulative market saturation and it challenges the Chinese state. Reorientation is the solution to guarantee the survival of China’s economic and political system. On the one hand, reorientation means outwards orientation through new and stronger bilateral cooperation with the (neighboring) countries in order to expand the consumer market, on the other hand it involves the integration of the less developed regions within China – such as Xinjiang – through infrastructure and jobs. This transformation is being implemented through the Silk Road Project.

The rise of China to a global power, urges experts of international relations to predict the giant’s further development. China has developed into a significant world power. However, even for political experts it is difficult to analyze China’s national strategy. The Communist Party follows a unique style of governance which combined with China’s location in Asia creates an unforeseeable number of optional geopolitical moves.

The strictly communistic line of politics defined modernization, regionalism and nationalism as their main priority in order to compete with the West. All development policies are directly subordinated to the CCP that offers strategic

\(^{37}\) Ibid.
guidance and represent socialism with Chinese characteristics\textsuperscript{38}. Plans for realizing these objectives are listed in various documents produced by the CCP such as the Five-Year Plans, the Party Congress Work Report, the Chinese Constitution, or speeches by the Politburo Standing Committee (PBSC).\textsuperscript{39}

So far, China’s governance persisted of a policy concentrating on economic growth, regardless to any negative side effects like environmental pollution or social inequality. Since Xi Jinping’s inauguration in 2012, the government invented a new slogan, namely “\textit{The New Normal}” that stands for better communication between the state and the domestic society, promising a new balance between policy and the people’s demands and a shift towards sustainability, green urbanization and social justice. \textit{New Normal} also includes the New Silk Road Project and thereby the assimilation of living standards and less developed regions.

It is, however, worth noting that this new form of dialogue only involves the provincial governments and not the Central Government.\textsuperscript{40} Moreover, Xi’s recent aspiration to abolish the limits of presidency reduces the general optimism about China’s turn towards a more liberal-minded state.

3.4 Current Challenges along the Road to Modernity

Apart from economic stagnation, China’s hardest challenges are overpopulation, excessive environmental pollution and rural exodus. All three of these are a result of China’s economic and political focus on certain industries – production of energy sources – and on the region of the east coast. The excessively high population density is confined only to the developed urban areas. Xinjiang, Tibet and Inner Mongolia are not yet affected by these negative implications of China’s swift advancement.

3.4.1 Over Population and Rural Exodus

Despite the 1,3 Billion Chinese living in China today, the demographic growth has decreased, which is the effect of the one-child policy that was implemented in the late 1970s. According to the restrictions, couples had to pay fines for violations. The implementation led to over ageing and a lack of women within the Chinese


\textsuperscript{39} Heath, 2012, 57.

society. In 2015 the law was loosened to a two-child restriction.\textsuperscript{41} The total amount of Chinese people is still a challenge to deal with, especially with over 90\% living in less the 50\% of the territory. The government’s conventional strategy to enhance the balance is concentrated on partly forced resettlement. The Belt and Road Initiative upgrades this idea by promoting the development of the less populated regions, in order to attract immigration.

Within Mao’s ideal communist society, farmers and agriculture took on an important role and even formed the pillar of the Chinese state. The fieldwork was performed under very simple conditions by physical strength, without technical support. For the majority of farmers, the circumstances have not changed until today, as the cities primarily benefit from China’s economic progress or the capital flows into industrial modernization. The Central Government’s does not focus on the support of the rural population.

Due to this rapid urbanization that started in the late 20th century, a large number of very young cities emerged in China while the persistent ones developed into mega cities. In 2016, six Chinese cities are home to more than 10 Million people. With over 20 Million inhabitants Shanghai (24,5 Mio) and Beijing (21,2 Mio) are on top of the list, followed by Chongqing (13,7 Mio) , Guangzhou (13,1 Mio), Tianjin (11,6 Mio), Shenzhen (10,9 Mio).\textsuperscript{42} According to the UN Department of Economic and Social Affairs, Shanghai will reach the 30 Million verge in 2030. By comparison, Xinjiang’s largest city Urumqi merely has a population of 2 Million.

These cities represent an emerging Chinese middle class, working in the secondary and third economic sector, increasing consumer society rather than production and environmental pollution due to rising energy needs and infrastructure. The rising standards of living and the prospect of reasonable wages bring people to the cities. On the other side, agricultural production is decreasing dramatically and soon there will not be enough farmers to feed the enormous number of city residents in the first place. Until recently, the Chinese government concentrated on the great challenges of preventing the mega cities from collapsing by constantly creating new living space and new jobs for the daily immigrants, as well as implementing measures against air, water but also noise.

However, president Xi Jinping directs his political strategy towards different levels. The New Silk Road land route and the access to Gwadar Port through the China-


Pakistan Economic Corridor will relieve the east-coast from constant, unsustainable increment which will be shifted to western provinces like Tibet and Xinjiang.

3.4.2 Environmental Pollution

Especially the megacities suffer from the vast ecological footprint China imprints on the world. Black rivers and tainted, deleterious air define the daily life of their residents. The Yangtze and other rivers of economic importance suffer from server chemical intoxication. The contaminated water constitutes a health risk to all human being that get in contact with it.43

In order to meet the cities’ huge amount of energy demands, China relies on coal production, which causes the smog. Most of the factories were built during the 1970s and therefore do not satisfy the modern standards of technology and security.44 Such conditions do not only induce the long-term effects like global warming but are also seriously health damaging. Apart from energy production-based emissions, the environment also suffers from substantial interventions in the ecosystem. These include deforestation, urbanization, and artificial redirection of rivers. Rivers are particularly pertained due to the production of dams to generate of energy. An example par excellence is the Three Gorges Dam, which is the largest hydro-electrical power plant project on earth. Put into service in 2012, it blocks the Yangtze River and produces per day. The installation is responsible for immense water pollution and erosions along the river, carrying tons of sand into the water.45

Due to the serious environmental damage, the CCP eludes to less destructed lands, to the territory of the western provinces. China is gradually switching to sustainable energy.

By referencing these major challenges, it becomes clear how strongly China depends on its western provinces including Xinjiang, and why Xi Jinping aims for a peaceful and closer integration of those regions. The assimilation and development of all China creates a security sphere for the Chinese states and promotes economic progress as well as control.

3.5 China’s Foreign Policy in Central Asia

The realization of the New Silk Road Project and the assimilation of less developed provinces like Xinjiang depends and at the same time is expected to improve the political relationship between China and its western neighboring states. Kazakhstan, Kyrgyzstan and Pakistan are of particular interest to the Central Government, which has been concentrating on being involved there since the 1990s.

The fall of the Soviet Union in 1991 turned the international order into a unipolar system under US hegemony. For China it not only meant the elimination of a great rival on the Asian continent, but it also caused doubt for Communism among the Chinese people. China had to adapt to this new double-edged state of affairs by reinforcing communism as well as redefining its inner and foreign policy goals. The newly independent post-Soviet states of Central Asia no longer constituted Russian periphery that needed to be secured through frontiers but offered new opportunities in terms of economic and political cooperation. Simultaneously however, Central Asia still portrayed a conflict area of uncertain future, especially in Afghanistan and Pakistan, that intensified with the emergence of radical Islam. The 9/11 incident finally branded the region as a hotbed for terrorism, making it ever more important to isolate the area, and at the same time gain influence there.

Eurasian relations expert James Millward describes Central Asia as a Eurasian crossroad linking the two cultural domains. China’s western periphery – the provinces of Xinjiang, Tibet and Yunnan in particular – represents a buffer zone between the two spheres and therefore function as an important social frontier between the pastoral-nomadic Arabian, and sedentary-agricultural Chinese civilization.

Throughout the 1990s the Central Government started using the image of the Silk Road to create a harmonious economic-political atmosphere and established diplomatic relations with its neighboring states. Simultaneously China founded the Shanghai Five Group in 1992, an organization for Asian cooperation, originally between Kazakhstan, Kyrgyzstan, Tajikistan, Russia and China that enhances the dialogue between its member states by creating a regional multilateral forum. The establishment of proper border security and the strengthening of economic ties represented the main issues of debate.

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49 Ibid, 119.
In 2001 India, Pakistan and Uzbekistan joined, and the Shanghai Five became the Shanghai Cooperation Organization (SCO) to further enhance regional integration and stability. Thereby the SCO encompasses 40% of the world’s population, making it the largest regional organization. The alliance declared separatism, extremism and terrorism their mutual enemies and included the five Chinese principles of coexistence into their manifest: (1) mutual sovereignty and territorial integrity, (2) non-aggression, (3) non-interference in domestic affairs, (4) equality and mutual benefit and (5) peaceful coexistence.\(^\text{50}\) In reality however, China dominates the other member states of Nuclear Weapon Free Zone in Central Asia. Additionally, the SCO also supports the implementation of the so called One-China policy guaranteeing that the states in question acknowledge the PRC as their exclusive trading partner and refrain from supporting Taiwan or Hongkong.\(^\text{51}\)

Apart from the SCO, Beijing relies on bilateral agreements with each country of interest individually. China regards Central Asia as an alternative energy supplier. Xinjiang as China’s westernmost outpost plays an important role to maintain and establish peaceful cooperation with Central Asia. In order to uphold diplomatic relations within its vicinity, China applies its economic state craft, offering developing or financial aid. In return the weak trading partners permit Chinese FDI which strengthens the giant’s influence in domestic affairs and thereby impairing the economy of those Central Asian states as well as their domestic stability.\(^\text{52}\) Over the long run, the emerging social and economic instability erupting through the Chinese exploitation also harms Xinjiang Autonomous Region and the local Uyghur population.

### 3.5.1 Kyrgyzstan

China and Kyrgyzstan share a 585km long border alongside the Xinjiang region, explaining Beijing’s interest in Kyrgyzstan’s political stability and economic progress. In 2002 the two countries agreed on the Sino-Kyrgyz Good Neighborhood Cooperation Treaty, in which China promised to invest in Kyrgyzstan’s economic development.\(^\text{53}\)

In 2013 the Joint Declaration of the Establishment of Sino-Kyrgyz Strategic Partnership allowed the Chinese investment in Kyrgyzstan’s infrastructure and resource allocation in exchange for providing a market for Chinese goods. As a consequence, China accounts for 91% of Kyrgyz imports, mainly consisting of

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\(^{50}\) Wallace, 2014, 201.

\(^{51}\) Reeves, Jeffrey 2015, 118.

\(^{52}\) Ibid, 117.

\(^{53}\) Reeves, 2015, 118.
technology, textiles and groceries. In order to compensate the economic deficit at least a little, Kyrgyzstan resided to exporting Chinese commodities further on to other Central Asian states. In 2014 Kyrgyzstan received a 10 million $ financial aid package from China, further intensifying the countries Sino-dependency.

Trade between China and Kyrgyzstan mainly runs via trucks through the Pamir mountains. The two Sino-Kyrgyz border crossings are situated at the Torugart-Pass along the Bishkek-Naryn-Kashgar Highway and at Irkeshtam further south. Both trading routes end in Kashgar on the Chinese side; reversely, they deliver Chinese cargo to northern and southern Kyrgyzstan.

Besides the enhancement of domestic long-distance trade, the acquisition of new markets in Central Asia is the economic key driver for the development efforts in Xinjiang Autonomous Region. Through immense FDI projects China not only gains influence in its western vicinity but also improves Eurasian connectivity. Therefore, Xinjiang benefits from the progress of infrastructural accessibility on the domestic side as well as projects from abroad.

Withal these projects are promoted and financed by Chinese state-owned companies to a very large extent. Beijing strongly relies on bilateral agreements with each neighboring Central Asian state in pursuance of alternative energy suppliers and a transit network system linking China and Europe. In order to uphold diplomatic relations with its vicinity, China applies its economic state craft by offering developing and financial aid. In return the weak trading partners permit Chinese FDI which strengthens the giant’s influence in domestic affairs and thereby impairing the economy of those Central Asian states as well as their domestic stability. Over the long run, the emerging social and economic instability erupting through the Chinese exploitation also harms Xinjiang Autonomous Region and the local Uyghur population.

3.5.2 Kazakhstan

Although Kazakhstan has maintained its political stability since gaining independency, it is still a developing country regarding the living standards and economic growth. In 2014, the government launched the Nurly Zhol program to promote infrastructural development, including the restoration of roads and railway and the construction of power plants and pipelines. As the Kazakhstan
Infrastructure Report shows, the implementation of the project is severely dependent on Chinese FDIs. The Nurly Zhol Project correlates with the Western Europe-Western China International Transit Corridor as part of the New Silk Road and therefore combines mutual interests. Kazakhstan appreciates the upgrading of Xinjiang city of Khorgos as well as the Khorgos dry port at the Sino-Kazakh border and also expects economic benefits from the International Container Railway Line connecting China with Iran. Since the beginning of the Silk Road Project in 2013 China has been actively involved in the construction and investment of numerous Kazakh projects.57

These include domestic energy resource extraction and production ventures primarily situated in the Aktobe region where the China National Petroleum Corporation (CNPC) has a share of the Zhanazhol and Kenkiyak oilfields and owns a large proportion of the Kazakh energy giant Aktobe MunayGas.58 More relevant for Xinjian’s international connectivity are long distance international pipelines. The Kazakhstan-China Pipeline (2016) runs eastwards between Atasu and Alashankou that is a joint venture between the CNPC and Kaztransoil, or the Central Asia-China Pipeline (currently under construction).59

3.5.3 Pakistan

Pakistan and China share very special economic relations since Pakistan’s new deep sea port Gwadar will serve as China’s access to the Arabian Sea on the Maritime Silk Road. This additional asset was an incentive for China to proclaim the China-Pakistan Economic Corridor (CPEC). As a result, Pakistan is particularly subjected to Chinese FDIs that are responsible for the massive infrastructural development. Pakistan was the optimal choice with regards to the vicinity to China and reliant on Chinese development aid. In the cause of the CPEC China finances numerous coal-fired power plant projects, as well as road construction like the Karachi Light Rail and Brown Line, the Hassanabd-al-Havelian Expressway and Faisalabad-Khanewal Motorway.

The theories about China’s national strategy and thus plans for the future, once it had taken its place among the world leaders, rose many questions. The creation of a harmonious society and a modern state, were clearly both high on the agenda of the domestic policy. Considering that, the country had so far abstained from most economic deals with the West but has been applying a very successful model of national economy. However, neither its politics nor its function in the international community were evident. Finally, in 2013 Xi Jinping’s Silk Road Economic Belt started to deliver answers to the question about China’s future geopolitical role. China now slowly defines its position by actively taking a leading position in the creation of the Eurasian economic sphere: The One Belt One Road Project. It represents a program that defines the future of China’s political path and includes all major issues that China has to face and that are currently threatening the Chinese state.

The question of what role China would take in the current international organization, whether it will be – as Randall Schweller from Ohio University puts it – supporter, spoiler or shirker to the multipolar system, occupied numerous experts. Former risk-averse paramount leader to the PRC, Hu Jintao solely concentrated on internal affairs. The Chinese state pursued no obvious foreign policy, therefore lacking experience in taking part in conflict and war zones, such like Syria and the Middle East. China had no long-term foreign policy strategy and assumed an observer status, watching the ongoing decline of US hegemony and their attempts to set foot in the Gulf region through stabilization. After a period of economic growth, China has emerged to rediscover itself among the global industrial powers side by side with the US, Russia, Germany, Japan and the United Kingdom. Once in this position, the economic growth stagnated, creating the need for the CCP to rearrange its political focus to sustain its power.

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61 Ferdinand, Peter, Westward – the China dream and “one belt, one road”: Chinese foreign policy under Xi Jinping. In: International Affairs, 2016, 92(4), 949-950.
Meanwhile, the international community appointed many different names to the colossal project. The original Chinese *yi dai yi lu*, or One Belt One Road (OBOR) Project, also known as Belt and Road Initiative, New Silk Road, Silk Road Economic Belt, the Eurasia Bridge or in a broader, more theoretical sense, Silk Road Strategy. In all its versions – whether labelled strategy, initiative or project – the term refers to a change of China’s geopolitical and economical thinking. It is a concept. A concept that promotes the transformation of internal conditions and bilateral cooperation in order to finally present China’s position on the international stage. These rearrangements include measures to address the poorer, less developed regions of China as well as the strengthening of bilateral cooperation.

The Silk Road Economic Belt is not to be conceived as one big economic project alone incorporating an enormously large area on different state territories, but it is an umbrella term for various different economic enterprises that are linked together, in order to create the optimal space for bilateral cooperation. Invented by China, the concept broadly serves two purposes, namely the domestic development of the poorer western provinces and the establishment of Chinese influence abroad. Overall about 70 states and International Organizations are part of the project. The OBOR covers the construction of 241 sea ports, 156 dry ports, 602 railways and 1227 roads, and also involves the extensive building of trans-national energy suppliers and Economic Cooperation Zones.

OBOR is not an undertaking solely conducted by China. China is the initiator, the key-player and the country the Silk Road will be most beneficial to, but besides China, the project pre-eminently serves Europe in terms of capital and resource allocation. It is a readjustment of power influence among the economically strong countries that will – in the long run, although also participating – undermine the Russian Federation, because, Russia will no longer control the gate between Europe and Asia. In order to improve the harmonious communication, Beijing invited 130 countries, participating in the Silk Road Project to the first Belt and Road Forum for International Cooperation (BRF) held in May 2017. Twenty-nine heads of state and 1.500 political representatives appeared at the summit, discussing and signing construction projects that are, to a large extent, financed by Chinese enterprises.

Although the OBOR will also improve the infrastructure of Central Asia, and many African states, most of these developments are directed, financed and even built by

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62 Reconnecting Asia: Center of Strategic and International Studies (CSIS), Washington D.C., retrieved from: https://reconnectingasia.csis.org/ (10.01.2018)
63 Shen, Simon Xu Hui, Special Issue: New Silk Road Project. In: East Asia, 2015, 32(1), 1-4.
64 Chua, Alvin C; One Belt One Road and Opportunities. Center of Financial Stability, Guangzhou, 06.06.17, retrieved from: http://www.centerforfinancialstability.org/research/Chua_OneBeltOneRoad_7_6_17.pdf (15.03.18).
Chinese firms. This means the expansion of the Chinese markets into countries with economic potential, that are yet unable to unfold their strength due to political instability, corruption and underdevelopment. This Chinese annexation brings development, but at the same time imposes a sinofication of the economy upon them. The Chinese FDI eradicates local, small enterprises along the Silk Road, replacing them with powerful companies. Thereby China is responsible for thousands of job losses in Kazakhstan and other neighboring states, because the Chinese firms come with full work forces, leaving the locals unemployed. In general, there are two opposing, black and white theories about OBOR. Western, especially US-American scholars, hold the negative point of view, emphasizing the Chinese imperialistic approach that presents the project as the latest Chinese expansion policy, according to which, the economic weak Central Asian states must choose between independent poverty, or economic prosperity as Chinese puppet states. On the opposite side, there is China's glorified version of the project, according to which, the Silk Road creates a “win-win situation” and brings development and innovation to all participating states. The reality probably lies somewhere in-between and differs from state to state.

The silver lining of the project is the infrastructural improvement these states cannot afford by themselves. Not only the remediation of roads and the construction improve driving conditions, reduce the accident rate and abbreviate the driving distance of trucks as well as civil traffic across countries, but the infrastructure brings stability and expels subversives. This and installation of new routes and pipelines raise the general living standards, but only to people of the middle class who can now afford the electricity or have road access, items that, before had not existed or were in insufficient condition.

4.1 The Ancient Silk Road

In order to comprehend the full magnitude of the Belt and Road Initiative it is important to be aware of the history behind it. Just like the modern OBOR project, the term for the ancient Silk Road represented a label for various commercial routes across Eurasia and North Africa. The name Silk Road (Seidenstraße) was first mentioned by the German geographer Ferdinand Freiherr von Richthofen in 1877 and was the main issue in his five-volume publication “China: Results of my travels and the studies based thereon.” Richthofen, aiming for the discovery of a trading
connection between Germany and China pictured only one road, as there was this particular section he was interested in. Before this labelling, during their primetime the trading belt, neither were the routes collectively referred to as the Silk Road, nor had the Chinese have the ambition to connect with Europe let alone intensify trade relations with the West. The original, glory- and mystified concept of the Silk Road therefore derived from a Eurocentric, historic perspective on the past.\(^{68}\)

The point of Eurocentrism introduces a substantial discrepancy between the ancient and the modern Silk Road: The antique Silk Road is a construction of the West. In the past, the Europeans made great efforts to cooperate with East Asia in order to get hold of valuable commodities like horses, spices, fabric; the occident eagerly acquired new techniques and scientific approaches from China.\(^{69}\) By contrast, the new Silk Road Project is a pure Chinese Initiative; a proposal to strengthen influence through cooperation. Through the old trading connections the Europeans previously managed to apply Chinese knowledge for their advancement, mainly because they discovered different fields of application. Today, China’s search for new sales markets can be considered a similar phenomenon in the reverse.

The old Silk Road not only promoted economic relations, but also served as a medium for cultural exchange, transfer of knowledge and transmitted diseases. Although there were many different routes that had different starting points and destinations, the trading area along the East-West axis of the Silk Road extended from the Chinese city of Xi’an across the Gansu corridor and the Transoxiana (Central Asia), Persia and Greece to the Mediterranean area and, at its prime time, ended in the Levant cities of Venice and Genova. In 300 B.C. the route initially comprised only a short distance, along which Jade was transported from Khotan – today Hotan in Xinjiang – to the Han’s capital Xi’an, but the Silk Road soon emerged to become the economic sphere of the then known entire world.\(^{70,\,\,71}\)

The first traces of a trading route proceeding on the Silk Road date back to the aforementioned jade transport that quickly developed into a long-distance commercial passage which by the year 200 dependably connected the Roman Empire with the Middle Kingdom. However, the Silk Road passage ways initially were used for the establishment and for intensifying diplomatic relations between China and its prominent western periphery. Trade on the other hand was a frequent

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\(^{68}\) Chin, Tamara, The Invention of the Silk Road, 1877. In: Critical Inquiry, 2013, 40(1), 194-219.

\(^{69}\) Rezakhani, 2010, 426-427.

\(^{70}\) Ibid, 421.

\(^{71}\) See Fig. 3, page 90.
side-effect that only gradually became its primary function, emerging out of the diplomatic custom to present luxury goods to foreigners.\textsuperscript{72}

Drawing a bigger picture in a global historical context, the trading bridge between the Asian and the European civilization developed on both sides of the world, as a latter output of the political, administrative and infrastructural achievements of the Persian Empire (550-330 BC) and later of Alexander the Great (356-323 BC).\textsuperscript{73} Tolerance to minorities, willingness to adapt, road networks, stability, justice systems and trade lead to prosperity. During his extensive military campaign towards Central Asia, Alexander not only conquered city after city, but also unified the whole region under his authority, founded new cities and established infrastructure. The Balkan was suddenly connected to the Middle East through the Persian Empire which he defeated in 330 BC. The subsequent contributor to the Silk Road, apart from the Greeks, was the Roman Empire that basically unified the European continent through conquest and introduced infrastructure and administration to the people. Rome “civilized” Europe, a continent which was at that time far less developed than the Eastern civilizations, but for proper resource allocation, especially luxury goods, the empire reached out towards Asia where flourishing cities and trade defined the daily life.\textsuperscript{74}

On the other side of the globe the Chinese Empire emerged under the Han Dynasty, penetrating the Western frontier lands of the nomads. In order to protect the border towards Central Asia, China had to maintain diplomatic relations with the nomads through paying tributes and trade. Silk became a major exchange currency treasured by the nomads. In return China developed a high demand for the horses living around the Pamir mountain range. In 119 BC the Han expanded their border frontier to – what is today Xinjiang – and gained control of this region that was actively involved in the trade. This was the important step that linked Europe with China. From the second century BC onwards, paper records of travels with diplomatic purpose prove the existence of active contact between the envoys of Central Asia and China. On these papers, dating back to 111 BC, Chinese trades people documented all entries and departures within the Asian borderlands.\textsuperscript{75}

4.1.2 Similarities and Differences

Beside the inherited peaceful, commercial sphere and the fact that the undertakings disregard the importance of the Arabian Region, Old and New Silk Road alike,

\textsuperscript{72} Rezakhani, 2010, 422.
\textsuperscript{73} Frankopan, 2016, 2-6.
\textsuperscript{74} Ibid, 13, 18-19.
\textsuperscript{75} Ibid, 8-11.
share more differences than similarities. This is the result of currently divergent geopolitical conditions.

Modern China is much larger than it used to be during most of the time of the ancient Silk Road and requires new markets. Europe on the other hand, although semi-unified in the European Union encompasses many different small sovereign states which each have to approve to be part of the New Silk Road Project before it can be integrated. The bilateral cooperation and the involved bureaucracy and political acts, complicate the development of the Eurasian Bridge enormously. Along the ancient silk road, the routes simply emerged were the region was suitable. During the Roman Empire, Europe factually was a single administrative space, whereas in medieval times, the composition of the different empires continuously changed and administrative organization was marginally in existence. The trading routes were considered not only a positive development but an essential supply chain.

Another difference concerns the merchandise. Our modern world has other priorities when it comes to resources. The type of commodities traded, has therefore changed. Instead of silk and other precious goods enriching people's life in the past, today's focus lies primarily on the allocation and transportation of mineral resources, especially on crude oil and gas.

Also, the traffic motives of the modern Silk Road that correlate with and are determined by the commodities distinguish from the old ones. Before the early modern period, the resource traffic was based on consumer demands from the European side. The ancient Silk Road therefore is based on a demand-driven incentive that satisfied the European need for spices and products from the Far East, whereas the Belt and Road Initiative is supply-side oriented. China requires space and new human resources to supply with its products. At the same time China needs more resources in order to maintain its production chain. In that respect China has taken Europe's role as a demander during the ancient Silk Road. The actors remained the same, but they switched position.

4.2 The Idea of the Silk Road Strategy

The idea of a revival of the Silk Road in modern times does not originate from the Chinese government. No matter who used the Silk Road for foreign politics purposes, it was never was a pure charity affair.

In the decade after the Cold War, the United States formed an idea similar to the Marshall Plan, concerning the development of the post-Soviet states along the old silk road. The Silk Road Strategy Act, though never ratified, was proposed in 1999 with the official goal to “target assistance to support the economic and political
independence of the countries of the South Caucasus and Central Asia.”

It addressed the states of Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan and offered development aid to the aforementioned states. In this respect, the Silk Road Strategy was US foreign policy to specifically target the former Soviet Union. At first glance the Silk Road Strategy promotes sovereignty, democracy, human rights as well as economic and security cooperation with the West. The headline is assistance, but underneath the surface, the US attempts to expand their geopolitical influence within the Central Asian region, in order to reduce their energy-dependence from Iraq, Iran and Saudi Arabia. Like mentioned before the deal was never authorized, and the project to gain economic control in Central Asia faded away due to other priorities. Yet in 2011, then Secretary of State Hillary Clinton spoke of a corridor across Afghanistan, referring to it as the New Silk Road and a strategy for stabilizing states in the Middle East, a project that was now taken over by China.

The New Silk Road Initiative contemplates not only a nationwide evolution at different levels of the Chinese society, but also in the international sphere. These include the assimilation of living standards throughout China, the strengthening of China within the international community, infrastructural development, and the internal re-establishment of the Chinese Communist Party. The first two points especially concern China’s western provinces.

The assimilation of living standards will be achieved through an improved educational system, better working conditions and fair wages, and an increase of the general consumption expenditure and property. To put it simply, it aims for the expansion and stabilization of the new middle class, especially in regions that still lags behind the Chinese urban average.

In pursuance of the focus on the development of the West, the New Silk Road intends to re-establish the domestic influence of the CCP, by arranging social stability within regions of minority hotspots. Through the successful implementation of development projects as part of the Silk Road Strategy, the Central Government also hopes to be acknowledged by the international community.

The infrastructural development refers to internal projects, as well as abroad and even overseas. National endeavors on the one hand serve yet again the provision and integration of the less connected provinces like Xinjiang and Tibet, and on the

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other hand they promise access to desirable mineral resources like fossil oil and gas, but also water. Elsewhere it implies the Chinese FDIs into countries like Cambodia, Pakistan and Kazakhstan, but also into a large number of African, and some European states, with the same goal for the same reason. On the level of international cooperation, the Silk Road Project embodies the pendant and the answer to the North Atlantic Trading Organization, deliberately excluding the United States. Cooperation in this sense is combined with infiltration, because China intends to enlarge its sphere of influences by promoting closer economic ties. The Silk Road 2.0 can be regarded as an Asian version of the Marshall Plan.

4.3 Xi Jinping’s “Silk Road Speech” and Proceeding First Lines

The crucial moment and starting point from the Silk Road 2.0 was Xi Jinping’s speech at the Nazarbayev University in Astana, during a visit to Kazakhstan in September 2013: In his oration the leader of the People’s Republic of China presented his ideas of a joint economic future between China and the Central Asian Countries along the Silk Road. He emphasized the shared history and the proposed step-by-step plan of how the project could be realized:

“To forge closer economic ties, deepen cooperation and expand development space, we should take an innovative approach and jointly built an economic belt along the Silk Road. […] To turn this into a reality we may start with work in individual areas and link them up over time to cover the whole region. First, we need to step up policy communication. Countries should have full discussions on development strategies and policy response, work out plans and measures for advancing regional cooperation through consultation in the spirit of seeking common grounds while reserving differences. Second, we need to improve road connectivity. […] The potential for trade and investment cooperation between the relevant countries is enormous. We should discuss a proper arrangement for trade and investment facilitation, remove trade barriers, reduce trade and investment cost, increase the speed and quality of regional economic flows and achieve win-win progress in the region.”

A month later he presented the proposition of a 21st century Maritime Silk Road to the ASEAN community. In December 2013 Xi turned to the Arab region suggesting cooperation through bilateral agreements on energy resource extractions as part of the Belt and Road Initiative. After an agreement concerning the

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integration of Russia to the OBOR project, the way to Europe was paved. By June 2017, China had also developed bilateral strategic plans with Serbia, Poland and Uzbekistan.\textsuperscript{79}

Meanwhile the OBOR project has extended towards almost all domains of the modern world. It incorporates Africa and Eurasia, connecting the continents through maritime and land routes. The cities of London, Hamburg, Venice, Athens, Istanbul, Nairobi, Colombo in Sri Lanka, Jakarta and Kuala Lumpur have been declared important nodes of the Maritime Silk Road.\textsuperscript{80}

4.4 The Routes of Silk Road 2.0

The Eurasian economic sphere created by the Silk Road involves two separate mega projects, namely the 21st Century Maritime Silk Road and the Eurasian Land Bridge that consists of six economic corridors, linking the two continents\textsuperscript{81}:

(1) The CPEC between China and Pakistan (Kashgar-Islamabad-Gwadar)

(2) The New Eurasia Land Bridge (Urumqi-Kazan-Moscow)

(3) The China-Mongolia-Russia Corridor (Beijing-Ulaanbaatar-Irkutsk)

(4) The China-Central Asia-West Asia (Urumqi-Teheran-Istanbul)

(5) The China-Indochina Peninsula (Kunming-Singapore)

(6) And the Bangladesh-China-India-Myanmar Corridor (Kunming-Dhaka-Kolkata)\textsuperscript{82}

The Maritime Silk Road involves the inclusion of different ports all over Asia, the Arabian Peninsula, Africa and Europe. States like Afghanistan, North Korea and Japan are being excluded intentionally, due to unmanageable risks, economic and political unpredictability and business competition. Key investment regions along the Eurasian Land Bridge are Central Asia, particularly the Chinese neighboring countries Pakistan, Tajikistan, Kyrgyzstan, and Kazakhstan, as well as XUAR, Iran and Russia in the west, whereas South-East-Asia in the east.\textsuperscript{83} For the analysis of OBORs contribution to the development of Xinjiang, corridors number (1), (2) and (4) are relevant, as is the establishment of Gwadar Deep Sea Port, as part of the Maritime Silk Road.

\textsuperscript{79} Tian, Shaohui, Chronology of China’s Belt and Road Initiative. Xinhua, 24.06.16, retrieved from: http://news.xinhuanet.com/english/2016-06/24/c_135464233.htm (22.11.17).


\textsuperscript{81} See Fig. 4, page 91.


\textsuperscript{83} Ibid.
The Autonomous Region of Xinjiang that had always been too remote to be under the influence from the Chinese Central Government, is finally subjected to a promising strategic development policy, through OBOR, comparable to the development aid China invests in abroad. By Xinjiang residents, the establishment of Chinese company giants is perceived similar to the FDI in Kazakhstan or Pakistan. Indeed, to some extent the local Uyghur population perceives this large-scale industrial and infrastructural enhancement as a form of modern colonization, particularly in the cities where common buildings are being replaced by skyscrapers and logistic centers. The Uyghurs – although the largest ethnicity in Xinjiang – also represent a low-income class, with few job perspectives.84

4.5 The Silk Road Slogan

The idea of Eurasia as an economic sphere, of intensifying multilateral and bilateral cooperation is very constructive-minded, future oriented and peace promoting. On the surface, it means the integration of various national markets to create a gigantic commercial circle, that every nation participating can contribute to. In reality however, the circle is dominated by a few superpowers that control its implementation in their favor. China carefully picked the name for its long-term economic program, to convince states to participate.

Most Central Asian nations as well as western China were part of the ancient Silk Road bearing a glorified past of economic prosperity and trading junctions. The nostalgic image of the Silk Road evokes positive connotations of camel herds and caravans prior to the Columbian Exchange. It is a symbol for peaceful cooperation that fascinates people and constitutes an effective PR campaign. The term Silk Road is easily remembered due to its historic significance. The OBOR concept combines infrastructural and industrial modernization with ancient history, thereby legitimizing China’s commercial advance in Central Asia and northern Africa.85 The new rise of the ancient Silk Road equals the revival of history. Due to the advertising name, China’s ruthless impairment of the cultural traditions that comes along with the Silk Road Economic Belt is perceived less harmful by the international community. The positive associations with the slogan distract from the negative side effects. As China’s economic and political strategy, the implementation of the New Silk Road involves an extensive sinification on all levels. The project promotes Chinese FDIs in Central Asia and Europe, thereby increasing China’s influence in the region.

85 Kaczmarski, Marcin, Non-western visions of regionalism: China’s New Silk Road and Russia’s Eurasian Economic Union. In: International Affairs, 2017, 93(6), 1364-1366.
4.6 The Silk Road’s Contributors

Besides the political level of decision making, diplomatic conducts and multi-bilateral agreements the New Silk Road depends on, the actual construction as a question of investment and financial aid. China delegated state owned financial institutions and firms to have a share in the majority of the projects. That includes the People’s Bank of China, the Industrial Commercial Bank of China, and the China Export and Credit Insurance Corporation. In 2014, the CCP explicitly founded the Silk Road Fund Co Ltd in order to support various projects – domestic and foreign – financially. With a budget of 40 Billion USD, sponsored by different Chinese and international banks or financial institutions, the fund is directly controlled by the Central Government and is located in Beijing. The fund offers loans to companies that want to settle in less developed regions or finances other economic projects.\(^\text{86}\)

65% of its shares are covered by the State Administration for Foreign Exchange (SAFE), an institution responsible for the supervision and reformation of China’s foreign exchange system.\(^\text{87}\) Another shareholder is the China Development Bank (CDB), the world’s largest financial development institution which became China’s official development finance in 2015.\(^\text{88}\) The Chinese Investment Corporation (CIC) and the Export-Import Bank of China complete the four big donors of the Silk Road Fund. Both institutions are state-owned, subordinated to the Chinese government and responsible for the management and promotion of Chinese foreign trade endeavors.\(^\text{89}\)

Other state actors also foster – mainly domestic – investment, simultaneously to the massive Chinese FDI. Apart from Chinese loans, the Belt and Road Initiative is funded by a great number of impartial bodies of the international organization like the World Bank and several UN sub-organizations.

4.7 Islam along the Silk Road

A distinct region situated between the final destinations of East and West – incorporating Central Asia, the Arabian Peninsula and Northern Africa as well as Xinjiang – is generally underestimated in both adaptations of the Silk Road: The Arabian world. This huge area is and was home to many different Islamic people. The region holds a key position in both the old and new Silk Road. Both Land and

\(^{86}\) Silk Road Fund Homepage, retrieved from: http://www.silkroadfund.com.cn/enweb/23775/23767/index.html (06.01.18).
\(^{87}\) SAFE Homepage, retrieved from: http://www.safe.gov.cn/wps/portal/english/AboutSAFE/Major (06.01.18).
\(^{88}\) CDB Homepage, retrieved from: http://www.cdb.com.cn/English/gykh_512/khjj/ (06.01.18).
\(^{89}\) Silk Road Fund Homepage.
Sea ways pass through the Middle East and some important trading junctions are situated there. Likewise, many precious commodities as well as inventions originate from the region, including carpets, the system of Arabic figures, glasses and medicine. Reversely, the orient profited enormously from the trading activity.

The modern retrospectively established historiography of the ancient Silk Road mainly concentrates on the two great civilizations of China and Rome, and later Christian Europe. Similarly, today China and Europe are the prior engaging business partners, while the Arabian countries are being used as puppet states, for large FDI projects and resource exploitation conducted by China and Europe. This model of taking advantage, particularly applies to the reasonably stable countries of Central Asia including Kazakhstan, Pakistan and Tajikistan.

Long before the 20th century, Europe feared the increasingly powerful Osman Empire that was frequently penetrating Europe and had defeated Constantinople in 1453. The Silk Road’s historiography being a Eurocentric construct, only naturally did not glorify the Islamic contribution to the success of the Silk Road.

The current revival of the Silk Road does not imply the death of the ancient one. Trade has continuously been practiced along the old routes, at least section-wise. During the Cold War period, borders between China and the former Soviet Union were closed.

The New Silk Road likewise incorporates ongoing infrastructural projects, that were launched before 2013. Like any other venture, the New Silk Road is no spontaneous idea without any intention behind it. Programs to develop western China became prominent during the 1990s. The Western Development Program launched in 2001 has effectively introduced new infrastructure and economic opportunities to less developed regions like Xinjiang. Those initiatives dating back to the times before the Belt and Road Project have now become part of the Silk Road. The Railroad Speed Enhancement and Capacity Expansion Project (RSCP) that was operating between 1997 and 2007 is responsible for the present reasonable condition of Xinjiang’s railway connectivity. Another example is the recent modernization of the Lan Xi line that shortened the travel time from 33 hours down to 27 hours.
The western hemisphere is mostly unfamiliar with western China. On average, people know Tibet, due to the Dalai-lama, the Himalaya and its conflict with the Central Government. Otherwise, China’s image is characterized by crowded giant mega cities full of skyscrapers, a special cuisine, busy people and huge industrial areas. Hardly anyone has ever heard of Xinjiang because until recently, there was little to know, except for the Uyghur ethnic conflict and a few historical cities of the ancient Silk Road.

Xinjiang is the largest of China’s six autonomous regions, representing one sixth of the total Chinese territory and three times the size of France. With an expanse of 1.600.000 km², the population barely reaches 23 Million people, due to the region’s natural conditions. 90 The level of urbanization is, compared to China’s east, extremely low. Its population density measures 13,7 inhabitants per square kilometer (2013), whereas in Hongkong, it reaches up to a maximum value of 6900 people. 91 Besides 10.09 Million Uyghur people, who – with 46,2% – still constitute the tight majority against the rapidly increasing Han Chinese population of 8.7 Million (40,1%), Xinjiang is home to a great ethnic diversity of different Turkic minorities including Kazakhs, Tajiks, Kyrgyzs, Mongols, Hui and several other Chinese subgroups. 92 These different ethnicities create a complicated political environment, social tensions and occasional rebellions that drew the attention of the Central Government to Xinjiang. Xinjiang’s largest cities are Urumqi (3,5 million) and Turpan (570.000) located in the north and Kashgar (506.000) close to the border of Tajikistan. Other locally important towns are Hami, Yili, Korla and Hotan. Officially declared as the Xinjiang Uyghur Autonomous Region – XUAR – in 1955, the province has its own self-appointed local government that is directly

subordinated to the Central Communist Government in Beijing. The region is subdivided into 14 prefectures – including the autonomous ones – and 88 counties, which incorporate factories, farmland and other industries, governed independently by the Xinjiang Production and Construction Corps (XPCC), a local organization that promotes economic development.93

Xinjiang borders eight neighboring countries, namely Russia, Mongolia, Kazakhstan, Kyrgyzstan, Tajikistan, Afghanistan, Pakistan, and India as well as the Chinese provinces of Gansu, Qinghai and Tibet. The province’s proximity to Central Asia cuts both ways: on the one hand the regional instability constitutes a security risk; on the other hand, it offers economic opportunities. Enhanced cooperation with its neighboring states, increases Xinjiang’s importance for the Chinese government.

5.1 Xinjiang’s Natural Conditions and Mineral Resources

From an environmental perspective, XUAR is – on the surface – a dry and rocky desert area, traversed and enclosed by various mountain ranges. It forms the west-end of the Gobi arid region, one of the largest dry zones on the planet. The northern closure between Mongolia, Russia and Kazakhstan is covered with the Junggar Basin, a barren landscape of wide grassy plains. Further east lies the Hami Basin where a lot of industry is located today. Xinjiang is divided midway by the Tian Shan mountain range that is over 7000 m high and comprises numerous glaciers, supplying the water for regional cities.94 The south is dominated by the vast Taklamakan desert. It is the second largest desert on the planet and consists of shifting sand dunes that make it a dangerous area. Situated therein is the Tarim Basin, which is home to some Uyghur oasis cities.95 In the past, these circumstances required a certain adaptability of the people living in the area as nature had little to offer. The Pamir, Karakoram and Kulu mountains frame a natural southern border to Afghanistan, Pakistan and India that is hard to overcome even today.96

The regions wide plains seem perfectly suitable for agriculture and husbandry, which for a long time represented the economic main sector. Wheat, corn, fruits like pears, grapes and especially melons (Hami-Melons), and cotton (mainly in the Tarim basin) are produced in large quantities. Xinjiang is China's main cotton producer, accounting for 60% of the total outcome. Due to low condensation and drought, that cultivation is heavily dependent on irrigation. The many basins are home to wild horses, goats and sheep that are essential for the survival of the indigenous nomadic people.

Besides agriculture, mineral resources and rare earth extraction compose the preeminent economic sector. Various deposits of coal, iron ore, copper, lead, zinc, bauxite, gold, silver, oil and gas are available in large quantities; Therefore, Xinjiang constitutes an important economic pillar to China, with enormous economic potential, especially in the field of energy. The province is ranked as one of the five most important energy bases in China, behind Inner Mongolia and Gansu. At the moment, coal is still the main energy supplier, locally as well as export wise. Xinjiang currently operates 60 coal fields of which the most important of which are the Turpan-Hami, Kubai, East-Junggar and Yili. Some of China’s largest fossil oil, natural gas and coal deposits were found in the same regions and in the Taklamakan desert, amounting Xinjiang for 20% of China’s total energy supply. Junggar-, Hami- and Tarim Basin each comprise plenty of oil, natural gas and coal reserves. Before the PRC, Dushanzi remained the first and only discovered oil field, that was elaborated with Soviet support. Nowadays, the largest refineries are set up in the Hami Basin, and Lunnan oil and gas field.

Despite Xinjiang’s economic potential, the region has not yet managed to fully utilize the available resources. On the Central Economic Work Conference (CEWC) in 2015, president Xi Jinping announced a shift to “Supply-side economic growth,” thereby suggesting a change of China’s economic course from production quantity to quality by concentrating on the improvement of existing products. High-

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99 Xu, Lin-jun; Fan, Xiao-chao, Renewable and sustainable energy of Xinjiang and development strategy of node areas in the “Silk Road Economic Belt”. In: Renewable and Sustainable Energy Reviews, 2017, 79, 274.
quality and supply side-oriented this economic-policy shift is part of the Belt and Road Initiative and will improve the energy transport from the west (including Central Asia) and eastern China. Since 2004, Shanghai and the Tarim Basin are already linked through a 4000 km long gas pipeline, whereas westwards, a 1000km-long oil pipeline was put into operation in 2005, connecting Xinjiang and Kazakhstan. According to this strategy, Xinjiang will focus especially on the further development of its energy business. Currently a West-East pipeline belt is under construction, linking Xinjiang with eastern provinces to improve their energy supply.

In 2016, the Chinese government granted 30 exploration rights for the onsite available reserves to domestic private oil companies. However, unlike state owned energy giants like China Petroleum, Chemical Corp and China National Offshore Oil Corp, many of the local firms are unable to use their newly acquired freedom, due to deficient financial means, technological background or market experience. The attempt to liberalize the Chinese economy is yet marginal, because private investors are not ready to take that step.

Although the majority of China’s energy consumption depends on conventional and unsustainable resources, Xinjiang’s natural environment also makes it a leading renewable energy production ground. The massive flat land in the center, especially the many basins, provide ideal conditions for wind and solar power generation, that could contribute to China’s turn towards sustainability. In order to realize the sustainability line, the province requires adequate support from the Central Government, as it lacks comprehension for sustainable energies and their potential, as well as modern technology to build an industry, let alone the knowledge to apply it. China’s radical environmental problems not only affect the industrial zones, but also prevail in Xinjiang. Urumqi and other large cities suffer from extreme pollution and smog, due to the region's aridity. Another fundamental problem is the alarming water shortage in combination with the already sensitive environmental system. Due to global warming, the glaciers, that have been providing drinking water until today, are melting. Alternative drinking water purification will be an asset in the mere future.

Since China adapted the Silk Road Strategy in 2013, Beijing also promotes and supports the production, distribution and export of sustainable energy more actively. One example of the government's efforts regarding sustainability, and yet at the same time assimilation, was implemented in Xinjiang. Partly, because of their

traditional life style which is very different from the modern Chinese way of life, and partly due to poverty, people living along the Silk Road junctions in Xinjiang only consume a minimum amount of energy, compared to the eastern provinces. Therefore, the Central Government started providing them with electricity. The projects were realized by local firms like for instance the TBEA (Tebian Electric Apparatus) Company located in Changji. In 2005, Beijing initiated the Xinjiang Silk Road Brightness Project, with the target to improve the regions supply of electrical light. The enterprise equipped 30,000 nomadic households with photo-voltaic installations in the Tarim and Junggar Basins.\textsuperscript{104}

5.2 Xinjiang’s History

Until well into the 18\textsuperscript{th} century, the region that is today Xinjiang did not belong to China, except for a few years in-between, but was home to nomadic tribes and a great, constantly changing ethnic variety. Mongolians, Turkic and Kyrgyz people populated the region and integrated it – or parts of it – into non-durable empires, as did the Chinese Han-dynasty in the centuries before and after the turn of areas, also unable in maintaining it. The territory was very desirable, as it incorporated several junctions and stop points of the Silk Road.

In 1760 the Qing dynasty finally managed to conquer the region in an attempt to expand and stabilize the Western borders of the empire and named it simply Xinjiang, meaning New Frontier.\textsuperscript{105} Under Chinese governance, administration was introduced to the region, agricultural economy flourished, irrigation systems were established by military, factories were built, and commercialization emerged. Furthermore, the government arranged a strategic resettlement of Chinese people to Xinjiang, in order to strengthen their control. Among them were also a large number of prisoners and soldiers. Immigrants were invited to start an agricultural business and even received free land for cultivation, seeds and money as starting capital to buy equipment, all provided by the state.\textsuperscript{106}

These new developments induced a fast, economic growth. Before the rise of industrialization reached Xinjiang, the major exporting goods were crafts works, especially clothing, fabric and carpets.

“Most important were carpet making, cotton and silk spinning and weaving, alcoholic beverage production, leather tanning and fashion of goods, and jade carving. Most of this activity was small scale and unmechanized. But

\textsuperscript{105} Weggel, 1984, 21.
\textsuperscript{106} Wiemer, 2004, 165.
rapid growth in carpet exports to Britain and Russia supported factories employing hundreds and even thousands."\(^{107}\)

Although China was never substantially threatened to be subordinated to any European perpetrator – except for the two Opium Wars (1839-1942) and (1856-1860) during which the British Empire gained influence in China and weakened the Qing dynasty – almost every neighboring country was affected by imperialism. Beyond China’s western borders, Russia advanced from the north, while the Indian subcontinent had fallen into British hands. In the late 19\(^{th}\) and early 20\(^{th}\) century, Britain and Russia met their imperial limits in Central Asia and their colonial rule influenced their Chinese vicinity. Xinjiang’s economy was soon dominated by the two European powers. Mechanization and industrialization quickly augmented with the help of European innovation, know-how and investment.\(^{108}\) The discovery of vast oil and gas reserves promoted capital investment and the building of infrastructure in order to extract the resources. In 1909 the first mechanized oil well was activated with Russian provided machinery. As a result of the increasing foreign influence, around 1900, over 10,000 Russian and about 3,000 British traders were living in Xinjiang and contributed to its economy.\(^{109}\)

When the Qing dynasty collapsed in 1912, disorder and social instability erupted in China and also hit Xinjiang. Without any administration from the Central Government, 100,000 Muslim working people left the former province and fled to other regions of Central Asia. In the aftermath Xinjiang was subjected to a period of regimes of nationalist warlords: Yang Zengxin (1911-1928), Jin Shuren (1928-1933), Sheng Shicai (1933-1942) and Zhang Zhizhong (1942-1949). It resulted in a constant up and down policy.

“Healthy recovery period under Yang was followed by a severe downturn under the corrupt and profligate Jin. The enlightened and capable Sheng turned things around again and finally, under the stress of world war and civil war, Zhang brought the Republican area to an ignominious close.”\(^{110}\)

Meanwhile, the existing nationalist independence movements in the region – predominantly populated by Uyghurs Turks – grew stronger and brought about two different, very short-dated independent Turkish republics within Xinjiang. The First East Turkestan Republic in south-western Xinjiang (1933-1934) emerged around Kashgar and was led by Uyghur rebels, but was quickly vanquished by Sheng Shicai with the support of Soviet troops. The second attempt revolved more around mineral resources rather than ethnicity. Russia set up the puppet state of the Second

\(^{107}\) Ibid, 165.
\(^{108}\) Ibid, 167.
\(^{109}\) Ibid, 165-166.
\(^{110}\) Wiemer, 2004, 166.
East Turkestan Republic (1944-1949) in order to expand their political influence in the resource rich environment of north-western Xinjiang. This time the newly empowered Communist government of China under Mao Zedong (1949) convinced not only Xinjiang itself but also East Turkestan to accept unification with the People’s Republic of China.¹¹¹ Official Chinese sources describe this event as a peaceful liberation the local population however, sees things differently.¹¹²

After World War II, almost all economic and social development in Xinjiang was reversed to a minimum. Only agriculture and small industrial activity was left. Like the rest of China, Xinjiang was also affected by Mao’s reform policy including the Great Leap Forward. Farms became huge cooperatives unable to meet the production targets. Thousands of refugees came from the east to avoid famine and imprisonment.¹¹³ During the 50s and 60s the Communists started resettling Han Chinese and introducing new technology to Xinjiang, to promote the development. In 1954, shortly after the unification, the communists founded the Xinjiang Production and Construction Corps (XPCC), which is probably the most successful long-term development project to enhance recovery and political stability by setting up farms and industrial towns in the area. The organization still constitutes an inherent part of Xinjiang’s economy. The XPCC’s statutes aim to

“introduce reforms by expediting the general contract responsibility system and the enterprise contract responsibility system and setting up workers’ household farms. [...] The XPCC has gradually established a multi-sector industrial system encompassing food processing, light industry, textiles, iron and steel, coal, building materials, electricity, chemicals, and machinery.”¹¹⁴

The XPCC has built the seven county-level cities of Alar and Tiemenguan near the city of Korla, Tumushuke close to Kashgar, Shuanghe between Yili and Alashankou, as well as Wujiayu, Shihezi and Beibin north of Urumqi, and five administrative towns. These towns all constitute industrial or economic centers in the suburban regions of major cities.¹¹⁵

The year 1955 probably marks the most relevant turning point in Xinjiang’s recent history, as it defined the status the region has maintained until today. That year the

¹¹² Weggel, 1984, 34.
¹¹³ Millward, Tursun, 2004, 93.
Autonomous Region of Xinjiang (XUAR) was formally established. Through granting autonomy to the rebellious region, the Communist government hoped to drown the separatist movement. After all, against all anticipations the conflicts did not cease, but uprisings continued.\footnote{Millward, Tursun, 2004, 91.}

In 1988 Beijing finally acknowledged the significant economic capacity of the West and urgently started concentrating on the infrastructural improvement of Xinjiang. The government of Xinjiang was now allowed to introduce foreign trade regulations, whereupon the Horgos border crossing was opened for commerce and several constructions, like the Urumqi airport and the Northern Xinjiang railway to Alashankou. Also, the first five cities were allowed to trade with the Soviet Union, namely Gulja, Tacheng, Altay, Changji and Kashan.\footnote{Wiemer, 2004, 170-171.}

The government of Xinjiang was now allowed to introduce foreign trade regulations, whereupon the Horgos border crossing was opened for commerce and several constructions, like the Urumqi airport and the Northern Xinjiang railway to Alashankou. Also, the first five cities were allowed to trade with the Soviet Union, namely Gulja, Tacheng, Altay, Changji and Kashan.\footnote{See page 48.}

The fall of the Soviet Union and the sudden independence of the Central Asian satellite states in 1991, finally changed the importance of Xinjiang substantially. China became interested in the economic potential of the western neighboring states. At once, Xinjiang received a lot of attention and became part of a large scale “renaissance” initiative, through which the previously neglected hinterlands should be assimilated to thriving eastern standards. The Western Development Program (WDP) was launched in 2000 and constitutes a predecessor to the Belt and Road Initiative on a domestic level.\footnote{Michell, George; Gollings, John (photographer), Kashgar: Oasis city along China’s old Silk Road. Francis Lincoln, London, 2008, 10.} It also paved the way for Beijing’s smooth cooperation with its western vicinity.

The three steady objectives with regards to Xinjiang that also drive the New Silk Road Project – economic growth, social stability and security – were already part of the WDP. They all correlate and depend on each other, domestically, as well as internationally.

5.3 The Uyghur Population in Xinjiang

Without their own independent national state, the Uyghurs – a Turkic people – have been living dispersedly in Central Asia, in the regions of Xinjiang, Kazakhstan, Kyrgyzstan and Uzbekistan since prehistoric times, long before the invention of the national state. Any further accurate scientific data referring to the origins of the Uyghurs is missing. The Uyghurs emerged out of various originally Mongolian, nomadic peoples, who occasionally formed Khaganates, but for most of the time lived in the sphere of other empires.\footnote{Michell, George; Gollings, John (photographer), Kashgar: Oasis city along China’s old Silk Road. Francis Lincoln, London, 2008, 10.}
During the 8th and 9th century the first Uyghur Khaganate persisted in the area of what is today part of Mongolia, Xinjiang, Kazakhstan, Turkmenistan, Uzbekistan and Kyrgyzstan. This domain was conquered by the Turkic Karakhanid Khaganate that introduced Islam to the Uyghurs. In the 14th century the Uyghurs were conquered by the Mongol people of Chagatai, who established the Khaganate of Moghulistan. In the 17th century the Khaganate was finally integrated into the Qing Empire and henceforth remained under Chinese influence.\(^{120}\)

The Uyghurs constitute the largest part of Xinjiang’s population opposite the Han Chinese and are recognized as one of 55 ethnic minorities within China. Since the Uyghurs have attempted twice to separate from China and become a sovereign state (first and second East Turkistan Republic) the CCP continuously fears to lose control over the region. Around the turn of the Millennium Beijing reinforced its development policies in Xinjiang by disturbing the Uyghurs traditional way of life. These measures threaten ethnic identity, provoke rising resistance and promote the development of Uyghur resistance movements. Chinese continuous resettlement policies, Xinjiang’s general sinification and the resulting inequality are the main incentives provoking the Uyghur disaffection for the Central Government that reciprocally nourish the conflict and create a fear of terrorism among the authorities.

It originated from the foundation of the People’s Republic of China in 1949 and the subsequent separation of Communist China from Soviet Union during the 1960s. The risk of a Soviet invasion was constantly present. After the unification, the CCP started actively resettling Han Chinese to the border provinces in order to secure their frontiers. The movement particularly concerned Xinjiang and Inner Mongolia where the attitude towards Beijing was doubtful and the situation unstable. The migrants received financial support from the government as well as accommodation and occupation. Xinjiang soon resembled an attractive place of residents with job opportunities for immigrants from all over China, and the settlement strategy turned into a self-initiated movement. The province’s population grew enormously. While in 1949 the Han Chinese only represented 6.7% of Xinjiang’s population they constituted about 40% by 2008.\(^{121}\)

At the same time, the inequality between Han Chinese and the indigenous Uyghurs increased dramatically. The settling Hans were better educated, skilled workers from

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\(^{120}\) Mackerras, Colin, The Uighur Empire According To The T’ang Dynastic Histories: A Study In Sino Uighur Relations, Asian Publication Series No. 2, Australian University Press, Canberra, 1972, 744, 840.


China’s East coast and consequently had an advantage on the job market; already being privileged by the government. They were urged to become members of the XPCC in order to enhance the infrastructural development of Xinjiang. As a result, the XPCC mainly consists of Han Chinese soldiers of the People’s Liberation Army. While Uyghurs and other locals still constituted the lower class of farmers and poorly educated workers, Han Chinese became teachers, scientists and managers, forming a solid middle class inhabiting the cities.

In order to complete the image of Chinese colonialization of Xinjiang, the Central Government started monopolizing the Xinjiang’s economic potential by bringing state owned companies into the region, especially in Northern Xinjiang, where large oil and gas reserves reside. The invasion of these “foreign companies” impedes the development of the domestic economy, because local firms have little opportunity to get involved in resource extractions. By transforming city- and landscapes through large industrial constructions, the sinification of Xinjiang’s commercial world suppresses the traditional way of living as well as their ethnic identity.

Uyghurs faced discrimination not only within their homeland but also outside of Xinjiang. During the 2008 Olympic Games held in Beijing for instance, hotels and restaurants were encouraged to reject Uyghurs as costumers. Uyghur migrants in Chinese cities are frequently restricted from praying and are confronted with serious discrimination, which is promoted by Chinese authorities.

In return, the Central Government started a campaign that promoted the migration of Uyghur workers to China’s industrial centers within cities of the east coast in 2002. Consequently, some 100,000 Uyghur migrant workers moved to Shanghai, Beijing and other booming economic hotspots to work in factories. The relation between the superior Han Chinese and Uyghur workers was tense from the beginning. Discrimination of Uyghurs was encouraged by the government and employees. The most fateful, violent incident occurred in 2009, when a group of Han Chinese workers furiously attacked an Uyghur dormitory, in one of the world’s largest toy factories, in the city of Shaoguan and reportedly killed two Uyghur workers. The riot was a reaction to an anonymous rape accusation that involved six Uyghur workers and two Han Chinese women. Official media reports about this

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incident informed the public about Uyghurs behaving aggressively against Han Chinese workers, announcing two deaths, contradicting eyewitness and participants who proudly spoke of more than 10 deaths.  

Although the responsible person was sentenced to death, the discontent about the government’s censorship increased tensions in Xinjiang, ultimately resulting in the infamous 2009 Urumqi riots, that broke out in June after the factory killings. These series of initially peaceful mass protests that eventually ended in a violent rebellion claimed around 200 fatal victims and 500 Uyghur rebels were sentenced to death in the aftermath.  

The size of the demonstration and especially the mass mobilization in Urumqi show that the incident was not simply provoked by a small group of Uyghur separatists, but mirrors the substantial discontent of the local population in Xinjiang. Unarmed students and sit-down strikers joined together with others to protest against Beijing’s failing Xinjiang policy. The police and other special armed forces actively advanced against the demonstration. The 2009 Urumqi riot is the largest mass rebellion that has been taken place in Xinjiang since the formation of the Second East Turkestan Republic and turned Beijing’s attention back to XUAR. However, the government refrained from officially recognizing the demonstration to be an expression of general frustration of the Uyghurs, calling it an incident of radical separatism.  

Nowadays, 20 years after the collapse of the Soviet Union, Xinjiang is surrounded by different trouble spots threatening the modern CCP. The distance from Xinjiang to Beijing is too long for the Central Government to maintain control over the local population. The province poor accessibility from the rest of China contributes to the fact that the authorities on the one hand receive insufficient and unreliable information about the provincial circumstances, and on the other hand leaves them few options committing the right people to the important state affairs. These measurements against the potential terrorists, including the partial surveillance of the public sphere, constitute an additional argument for the Uyghur’s discontent. 

Due to the continuous social unrest and frequent riots, Xinjiang province is generally associated with terrorism within China. The proximity to some of the most unstable regions of the world that are subjected to war and the distribution of radical Islam and report a very high rate of terroristic activity constitutes a potential security problem. The fact that half of the population are Muslims living

126 Ibid, 9-12.  
127 Ibid, 8.  
in the immediate vicinity to Afghanistan and Pakistan, about 3000 km away from the political center fans fear of Xinjiang fall under the influence of Islamic extremism.\textsuperscript{129}

The assimilation of the Uyghurs as well as the social stability in Xinjiang becomes more and more important with the establishment of the New Silk Road. Beijing therefore launched huge security campaigns to guarantee regime conformity. Apart from the provincial wide installation of surveillance systems monitoring any suspicious actions, the CCP maintains numerous so-called re-education camps in Xinjiang in order to fight and prevent terrorism. Their idea is de-extremification through labor and selected education. According to Human Rights Organizations, potentially millions of Uyghurs are currently detained due to alleged radical behavior. Beijing has so far denied the existence of these detention camps, insisting on the government’s care for human rights and political and religious freedom. In line with the mentioned human rights statistics, an estimated number of 11.5% of XUAR’s Uyghur and Kazakh population are imprisoned and deprived of their human rights at the moment.\textsuperscript{130}

To generally prevent Central Asia and China from acts of terror or the proliferation of terrorist networks, the Regional Counter-Terrorism Structure (RCTS) has been an operating body of the SCO since 2004.\textsuperscript{131} It serves as a key legimitizer for Central Government’s preventives against Uyghur terroristic activity. Although Beijing’s allegations of terrorism against Uyghur separatist movements are thoroughly justified on true foundations – with regards to Urumqi riots of 2009 or the assassination in Beijing in 2016 – the terror is restricted only to a small percentage of radical dissidents to the regime. The cooperation against terrorists provokes Anti-Uyghur campaigns in Xinjiang.\textsuperscript{132}

The Kashmir region is an attractive migration destination for Uyghurs emigrating from Xinjiang, due to the government restrictions of the Muslim lifestyle. Since Kashmir was located along the ancient Silk Road, migration has a long tradition and is part of the regional culture. Throughout the 20\textsuperscript{th} century Indian-administered Kashmir was subjected to two major immigration waves, one during the 1930s and 40s, and one in 1949 when the People’s Liberation Army invaded Xinjiang. Today the Uyghurs are an inherent part of the Kashmir population. Srinagar, the largest

\textsuperscript{130}Zenz, Adrian, New Evidence for China’s Political Re-Education Campaign in Xinjiang. 15 March 2018, The Jamestown Foundation, retrieved from: https://jamestown.org/program/evidence-for-chinas-political-re-education-campaign-in-xinjiang/ (22.05.18).
\textsuperscript{131}Wallace, 2014, 199.
\textsuperscript{132}Ibid, 211-212.
city within the Indian-administered Kashmir Region and its capital, is home to numerous exiled Uyghurs.\textsuperscript{133}

The first migration wave was induced by the Chinese when they defeated the First East Turkestan Republic between the 1930s and the 1940s. The Karakorum Mountain Range had always been a busy transit route for traders. In 1949 the Communists blocked the passage way and the trade as well as the migration in both directions was blocked. All economic activity and contact subsided. Roughly 11,500 Uyghurs escaped from Xinjiang and the Communists seeking refuge in Kashmir. Beijing pressured the Kashmir government to deport the refugees and to deny them asylum. Therefore, the Uyghurs fled to Saudi Arabia, Iraq and other Islamic countries and today there are Uyghur diaspora communities around the world, also in the US and Europe.\textsuperscript{134} Munich serves as a Uyghur immigration hotspot and it is also the basis of the World Uyghur Congress (WUC) founded in 2004.\textsuperscript{135}

5.3.1 World Uyghur Congress (WUC)

As an association of Uyghur community around the world, the WUC represents the largest peaceful Uyghur organization that tries to liberate the East Turkestan and the local Uyghur society from Chinese occupation through negotiations and political engagement. Well established in the western hemisphere, the WUC frequently cooperates with NGOs like Amnesty International and the UN, raising awareness of the Uyghur situation in Xinjiang through mass media propaganda. WUC president Rebiya Kadeer accuses Beijing of a modern genocide in Xinjiang, while Chinese authorities blame the WUC for the 2009 Urumqi riots and claim it to be terrorist organization.\textsuperscript{136}

5.3.2 The Uyghur’s Prospect

Due to deliberate sinofication and increasing economic prosperity, the Uyghurs will eventually have to adapt to the modernization of Xinjiang. Land acquisition and the resettlement policy aggravate their traditional way of life for one thing, but on the other hand, new infrastructure brings along comfort and raises the standard of


\textsuperscript{135} Ibid.

living according to the capitalist’s idea. Therefore, the Uyghurs will probably not be able to prevent the XUAR from the developments that are being implemented there. To begin with, their Muslim community is very small and not well-known, as the Chinese government excludes the international media, prohibiting any independent investigation. On the other hand, the Uyghurs receive little support from the Islamic world, that is split between different religious orientations, partly politically unstable and busy solving their own problems. The ETIM’s terrorist activity worsens the matter, as the stable Islamic neighboring states distance themselves from the Uyghurs in need of China’s financial and economic support. The UNESCO has been negotiating the inclusion of Kashgar’s Old City and various other historic sites, into the World Heritage List, but the PRC remains persistent.137

5.4 Regional Integration and Development in the Past

Since the late 1990s and the early 2000s Xinjiang has been subjected to several development initiatives not only from the Chinese side but also due to international ambitions. It is a core region for infrastructural cooperation across Eurasia.

5.4.1 Xinjiang and the Western Development Program

The majority of XUAR’s infrastructural development efforts date back to the turn of the 21st century, prior the Silk Road Initiative became officially implemented in 2013. When the progression policy applied on the east coast proved to be successful, the Central Government turned its focus to the western provinces. The term that generally refers to this reorientation was defined as a “Go-West-Strategy”, broadly covering all the projects and measures that concern advancement of any matter. Due to strong cooperation with other domestic affairs as well as other international development plans, the strategy merges with various undertakings at different points and stages.

The realization of China’s Go-West-Strategy is supported by the Asian Development Bank (ADB) which is an institution that provides financial aid to countries in need of economic and social development. Today it counts 48 regional, – China joined in 1986 – and 19 external members. In 2012 the CCP established the National Development and Reform Commission (NDRC) that is now in charge of designing China’s economic and social development. Within the commission, the Department of Western Region Development is a designated unit coordinating the advancement in Xinjiang.138

137 See page: 55.
Deng Xiaoping divided the process of China’s development into two stages: First the coastal areas in the east, that have a broad access to the international markets, and later the interior provinces. At the end of the 1990s, metropolises like Shanghai and Shenzhen had acquired the requested high living standards, no longer requiring political assistance.\textsuperscript{139}

The Western Development Program (WDP) was approved in 2000, covering 12 provinces of central and western China, including Xinjiang. The program contained not only commercial and infrastructural aspects, but also social and environmental elements.\textsuperscript{140} Soon after the idea of the project was born, Beijing urged the provincial governments to create favorable investment conditions. The WDP implementation began in 2002, shortly before the 10\textsuperscript{th} Five Year Plan, with a provisional period of ten years’ time and was launched at the Conference on the Reform and Development of State-owned Enterprises (SOEs) in Xi’an. \textit{Xi bu da kaifa} – great western development – became the program’s slogan and popular name.\textsuperscript{141}

Apart from the improvement of social institutions, Beijing invested in Xinjiang’s potential in agriculture, environmental protection and infrastructure. Irrigation systems were improved, ecosystems restored and a railroad between Kashgar and Urumqi built. Furthermore, the program included the construction of a 4000km long west-east pipeline from Xinjiang to the East coast to allocate the regions vast reserves of gas and crude oil.\textsuperscript{142}

On the social level, the WDP launched two East-West cooperation programs to enhance social development. The “Hand-In-Hand Aid” (HHA) program encouraged qualified graduate students and scientists from the east coast to move to the west in order to support medical and educational institutions by sharing their know-how. A similar strategy was applied for the promotion of western-based enterprises. The “East-West Interaction” project provided a medium for communication, management advice and scientific exchange between companies across China.\textsuperscript{143}


\textsuperscript{142} Moeller, Robert Vaughn, China’s Campaign to Open the West: Xinjiang and the Center. Master Thesis, 2006 University of Pittsburg, 30-32.

\textsuperscript{143} Xeng Lu, Xiang Deng, China’s Western Development Strategy: Policies, Effects and Prospects. MPRA, 01.12.11, 8, retrieved from: https://mpra.ub.uni-
Implemented over 18 months between 2006-2007, the WDP aimed at strengthening the economic cooperation between Xinjiang and the Central Asian Region through enhancement of cross-border trade. The program also promoted inclusive and sustainable socio-economic development in Xinjiang, surveyed by international consultant firms in order to define problems, launched inception workshops that provided policy recommendations on how to strengthen economy and identified Xinjiang’s competitive advantages.144

5.4.2 The Xinjiang Production and Construction Corps (XPCC)

As probably the most successful long-term development project, the Xinjiang Production and Construction Corps was formed shortly after China’s unification in 1954. It is a Communist organization with the goal to introduce reforms by expediting the general contract responsibility system and the enterprise contract responsibility system and setting up workers’ household farms.145

“The XPCC has gradually established a multi-sector industrial system encompassing food processing, light industry, textiles, iron and steel, coal, building materials, electricity, chemicals, and machinery.”146

The XPCC has built the seven county-level cities of Alar and Tiemenguan near the city of Korla, Tumushuke close to Kashgar, Shuanghe between Yili and Alashankou, as well as Wujiqiu, Shihezi and Beitun north of Urumqi, and five administrative towns. These towns all constitute industrial or economic centers in the suburban regions of major cities.147 Today the organization mainly consist of retired Han Chinese soldiers from the PLA.

5.4.3 The CAREC Initiative and Xinjiang

In the course of the Western Development Policy that started in 2001 and amalgamated with OBOR in 2013, Xinjiang has already experienced numerous advancements. Beyond that, China has been part of different international
facilitations of economic process that benefited Xinjiang. Most prominently, China has been a member of CAREC since 1997.\textsuperscript{148}

Now a part of the OBOR, the Central Asian Regional Economic Cooperation Program launched a massive project to enhance infrastructural connectivity across Eurasia. Known as the CAREC, the organization was officially founded in 1996 and partners with the ADB, IMF, IDB, EBRD, the UNDP and the World Bank. It promotes trade, connectivity and commercial development between Eurasian countries.\textsuperscript{149}

In 2012 CAREC initiated the Transport and Trade Facilitation Strategy (TTFS), that includes a Comprehensive Action Plan for the construction of six multimodal economic corridors\textsuperscript{150}:

1. Europe-East Asia Corridor
2. Mediterranean-East Asia Corridor
3. Russian Federation-Middle East-South Asia Corridor
4. Russian Federation-East Asia Corridor
5. East Asia-Middle East-South Asia Corridor
6. Europe-Middle East-South Asia Corridor\textsuperscript{151}

Four of them, namely corridors 1,2,4,5 start in the city of Turpan in Xinjiang linking China with the rest of Eurasia. Each corridor directs to a distinct region but consists of different strings accessing different cities along the way before reaching their actual destination. CAREC 1 runs from Turpan via Kazakhstan and Russia into Europe. Its sections include the Western Europe – Western China Highway, the Horgos-Khorgos Border Control and Logistic Center, as well as the Kazakh road passage between Almaty and Khorgos. CAREC 2 connects Xinjiang with Georgia through a highway network across Kyrgyzstan, Uzbekistan, Tajikistan, Kazakhstan and Azerbaijan and links Kashgar with the Kyrgyz border crossing of Irkeshtam. Corridors 3 and 4 proceed mainly offside Xinjiang, although section 4a connects Urumqi with Russia. CAREC 5 simply covers the CPEC between Kashgar and Gwadar, and Kashgar and Karachi.\textsuperscript{152}

\textsuperscript{148} CAREC Countries: China, retrieved from: https://www.carecprogram.org/?page_id=5 8 (13.01.18).
\textsuperscript{149} CAREC Program 2015, retrieved from: https://www.carecprogram.org/?page_id=31 (17.01.18).
\textsuperscript{151} See Fig 5, page 92.
\textsuperscript{152} CAREC, 23-24 October 2013, Astana, (Published 2014, by the ADB), 20-24.
Hence, the development of China’s western outpost is thoroughly in the interest of the CAREC member states. Xinjiang unites the peripheries of China and Central Asia and thus composes a large area of transit routes and gateways, including different transport junctions. The full economic potential of the province remained however, untouched until recently and is now starting to evolve with the incentives of the Belt and Road Initiative. Beijing’s policy concerning XUAR’s domestic infrastructural upgrade merges with international projects currently operating simultaneously in Central Asia and Europe, transforming Xinjiang into China’s western economic center.

Together with the Xinjiang Municipal Government, the Central Government of the PRC, and various financial institutions, including the ADB and World Bank, the organization has successfully supported the implementation of nine local infrastructural development projects in XUAR between 2002 and 2009. They include (1) road constructions and improvements (e.g. Third Xinjiang Highway Project, Xinjiang Regional Road Improvement Project, Korla-Kuqa Section Improvement), (2) advancement in logistics and capacity building (e.g. Logistics Development and Capacity Building in XUAR), and (3) environmental recovery (e.g. Silk Road Ecosystem Restoration Project).

Due to insufficient road conditions in Xinjiang, the government proposed the Xinjiang Regional Road Improvement Project in 2005. The large-scale road restoration and construction is not completed until this day. The reduction of travel time on the highway, CO² emissions, and road accidents are obtaining the authorities’ priority, in order to improve the safety standards and make them negotiable throughout the year. The initiators expect an increase of traffic volume from 5,600 passenger car units in 2006 to 26,000 in 2030. They aim to improve border administration to shorten the border crossing times from 4.5 hours in 2006 down to 2 hours by 2013 and plan on connecting 2280 villages to the highway network.¹⁵³

The main objective of the Xinjiang Third Highway Project was the construction of the Kuitun-Sailimu Highway (KSH) in Yilin Autonomous Prefecture in the north of Xinjiang, connecting the Khorgos border crossing with Kuitun city. The term Sailimu refers to a lake of the same name, that is situated along the highway. The completion of this particular road section in 2009 was the missing piece of the

National Trunk Highway System which encompasses China’s entire road network.\textsuperscript{154}

The 300km long Korla-Kuqa Expressway has existed for decades, linking two cities in the rural and poor heart of Xinjiang. The Road Improvement Project of this section, completed in 2014, constitutes an infrastructural upgrade from a two-lane into a four-lane road, equipped with a modern logistic control center to improve safety measures along the highway. Hospitals, school and other public institutions become more accessible. The route traverses through one of Xinjiang’s least developed areas of low living standards, that will likely improve through the project as higher economic activity is to be expected.\textsuperscript{155}

By 2006, Xinjiang had established border crossing points, parts of the expansion of the road network were already under construction and the rest at least planned. In order to provide a properly developed logistics industry for the poor technologically equipped infrastructural system, the Logistics Development and Capacity Building Project implemented a Technical Assistance (TA) Program. A consultant team examined XUAR’s economic hotspots, logistic businesses and government agencies, observing poor management standards and the absence of an efficient logistic information system. They designed a TA Monitoring Framework and created a logistic map that divided the region into six zones with major supervising points. The project enhanced the coordination between and within infrastructural areas, by introducing a new technology and a Logistic Information System.\textsuperscript{156}

Launched in 2007, the Silk Road Ecosystem Restoration Project was initiated by the Chinese government with the aim of reversing the vast land degradation in the provinces of Gansu, Shaanxi and Xinjiang along the old Silk Road route. The venture was mainly financed by the Asian Development Bank – through a 100 Million USD loan – and supported by the Global Environmental Facility (GEF).\textsuperscript{157}

Although agriculture and generally the primary sector have always dominated Xinjiang’s economy, the region suffers from a very low expansion rate, due to a

\textsuperscript{154} World Bank Report, 16.03.11, Freeman, Peter, Nigel; Lacey, Robert, Mark; retrieved from: http://documents.worldbank.org/curated/en/358821474943210498/pdf/000020051-20140624162312.pdf (17.01.18).


restrained market access, insufficient water reserves as well as infrastructural and technological shortages. Until today, Xinjiang’s agricultural commercialization could not develop because it was not supported or financed by the Central Government. Extreme winds not only thrive in Xinjiang’s wide, minimally vegetated areas but also enhance their emergence by damaging the vegetation.\footnote{Ibid.}

Therefore, measurements for wind impediment, vegetation boost and the development of infrastructure were the project’s first priorities. As part of the project, reforestation was conducted in 5 counties and 3 municipalities within Xinjiang, substantially for sand-fixing reasons and to promote environmental diversity for a more sustainable and efficient mineral resource extraction. Overall 13 species of plants, including nuts, berries and trees, were reintroduced in those specific areas under the coordination of the State Forestry Administration, who accomplished the recovery of 139 ha infertile land.

For diminishing winds, the project supports the establishment of shelterbelt windbreaks made of different cultivation stripes that break the speed. These belts are also beneficial to Xinjiang’s economy, as they include crops. When it comes to the infrastructural advancement, the endeavor concentrated on irrigation systems due to the water shortage within the region.\footnote{Ibid, 1-2.}

\subsection*{5.5 Security Issues – Xinjiang’s Role as a Western Frontier}

As China’s westernmost outpost, Xinjiang and its frontiers play a crucial role in the state’s security policy, not only in the prospect of Central Asia’s instability issues, but also with regards to local domestic minority conflicts that impair the CCP’s authority and influence. Due to the cultural difference that separates Xinjiang from the rest of China, the region indeed functions as a useful buffer zone, shielding the Chinese inland from potentially harmful events in the western hinterlands.\footnote{Mukherjee, Kunal, Comparing China and India’s Disputed Borderland Regions: Xinjiang, Tibet, Kashmir, and the Indian Northeast. In: East Asia, 2015, 32(2), 174.} In pursuance of improving the status quo and to create a sustainable Eurasian Bridge, the Central Government henceforth concentrates on promoting regional stability in Xinjiang and its vicinity.

However, the Uyghurs of Xinjiang are dissatisfied with Beijing’s political leadership and often feel discriminated by Han Chinese. Their discontent and the radical Islamic group of Uyghur separatists pose a threat to the region’s security. International security threats are more diversified and are dreaded to have an impact on Xinjiang. They include a border conflict – primarily at the Indian-Pakistan frontier in the regions of Kashmir and Jammu –, the continuously regional
instability in Central Asia, especially in Afghanistan, Pakistan and India, external terrorism also occurring in those regions, and drug trafficking.

5.5.1 Domestic Security Threats in Xinjiang

The threat of domestic terrorism generated by the Uyghur minority is a result of a long-term discrimination and resettlement policy of the post-war II era. Han Chinese residents are generally better educated, skilled work force, that enjoy higher living standards and have been “invading” XUAR since 1949. The CCP’s constant fear of Uyghur Muslim terrorism on the one hand and the growing Uyghur discontent on the other, stimulate each other equivalently. Especially since 9/11, where after the United States declared their war against terrorism, the Central Government has been focusing on operating against terrorist organization such as the ETIM (elaborated below). Counter-reactions from both parties aggravate the conflict situation. Frequent knife and bombing attacks in Xinjiang’s major cities are the consequence (Kashgar and Hotan 2011). The most infamous violent turmoil were the Urumqi riots in 2009, claiming about 200 fatal victims.

The East Turkestan Islamic Movement (ETIM), a separatist group of Uyghur jihadists, is held responsible for the majority of terrorist activity. The organization was founded in the early 2000, and is publicly associated with the Al Qaida, or the Islamic Movement of Uzbekistan. ETIM was classified a terror organization in 2002 and follows the objectives of other jihadists. Their overall goal is the establishment of an East Turkestan Republic in the region and parts of Xinjiang, Kazakhstan, Kyrgyzstan, Uzbekistan, Pakistan, Afghanistan. The organization therefore embodies all three of Beijing’s declared Three Evils: Terrorism, Separatism and Religious Extremism, and evidently has links to networks of international terrorism.

5.5.2 Xinjiang and Kashmir

The trijunction at the India-Pakistan-China border in the region of Kashmir has been a conflict zone since the late 1940s. The area in question is covered with the Karakorum mountain range, constitutes a strategic “watchtower” over the frontier and therefore all three parties’ manifest heavy military presence. The Shaksgam valley and the Aksai Chin region in northern Kashmir are Chinese territory. While

161 Wallace, 2014,
relations between China and the Pakistani remain peacefully cooperative – e.g. Karakorum Highway – India constitutes an opponent. Pakistan awarded the Shaksgam valley to China as part of the Trans-Karakoram Tract after border negotiations in 1963. A year earlier China seized Indian occupied Aksai Chin in an attack. Both Chinese controlled zones do not officially belong to China but remain part of the disputed Kashmir territory.\textsuperscript{165}

The ongoing border dispute in the Kashmir region began when Pakistan gained independence from India in the course of the partition of the Indian subcontinent in 1947. Historically, the region has been home to various cultures – predominantly Buddhist, Hindus and Muslims – and is vulnerable for cultural rivalries. During the British colonialization of India, Kashmir was governed by a Hindu ruler, while the majority of the population was Muslim. Accordingly, Kashmir became part of India, although the residents wanted to join Muslim Pakistan. When Pakistani troops invaded Kashmir to liberate the people, India declared the region officially Indian and equally sent military forces to Kashmir, initiating the First Indo-Pakistani war (1947-1948).\textsuperscript{166}

With support from the UN a Line of Control was drawn in 1949 dividing the region into Pakistan occupied Kashmir (PoK) in the north west and Indian occupied Kashmir (IoK) in the east. The line however stops at the Siachen Glacier, leaving the norther frontier undefined. Siachen glacier marks a triangle territory that is no-mans-land, in between China, India and Pakistan. The armed conflict has not stopped until today, despite an official cease fire in 2003.\textsuperscript{167}

China’s political interests in maintaining control over Shaksgam valley and Aksai Chin are merely strategic. With regards to the stability of the Karakorum Highway and the CPEC as economic gateways. The main route of the Karakorum highway runs over the Khunjerab Pass through PoK, parallel and close to the LoC. Since construction works of the CPEC – guarded by the PLA – started in 2015, Chinese military presence reemerged. Shaksgam, or else Aksai Chin only function as passageways for Beijing to get to Pakistan. There are no established industries or urban areas, Xinjiang needs to defend. Nevertheless, it is important for China to maintain presence in those regions in order to sustain Xinjiang’s economic access to Pakistan and furthermore Gwadar.\textsuperscript{168}

\textsuperscript{167} Ibid, 12, 17.
5.5.3 Central Asia’s Continuous Instability: Afghanistan

Apart from Syria and Iraq, Afghanistan is the most instable country in Central Asia and, to China’s unease, one of its neighboring countries. China and Afghanistan are connected through the Wakhan Corridor, in north-eastern Afghanistan at the end of which runs a 92-km long border with Xinjiang that was defined in 1963. The Wakhan corridor is a sparsely-populated region in the Pamir mountain range that constitutes a popular smuggling route between China and Afghanistan, especially for Taliban supplies as well as for Afghan-made opium trafficking into Xinjiang. China keeps the border crossing of the Wakhjir Pass closed, to undermine the illegal actions and prevent security threats, despite the Afghan government’s opening requests to promote economic development. Beijing expects to raise security standards in XUAR by precluding Afghanistan. Kashgar, as Xinjiang’s hotspot for Muslim culture and as the place of foundation of the ETIM, is only around 300km away from the Sino-Afghan border crossing and therefore would potentially fall under Afghan terror cells’ sphere of influence, promoting radical Islam.

Even though China’s political relation with Afghanistan remains amicable, Beijing fears non-state terror organizations that still control war zones in Afghanistan. After the official fall of the Taliban in 2001, China offered financial aid for the state’s reconstruction, and continuously gives out loans for means of influence. Afghanistan’s stability definitely is one of China’s foreign policy goals, as the country is rich in resources and constitutes a vulnerability in the neighborhood. The high presence of undetected Soviet land mines strongly impairs Chinese economic support. Yet in 2007, China started investing in the Aynak Copper fields, one of the world’s largest fields, entailing the necessary electricity and means of transportation. Apart from smaller investment projects however, – like providing electricity – China has so far refrained from extensive cooperation projects.

As a consequence of the increasingly active relocation of Han Chinese to Xinjiang, they almost meet the same percentage as the local Uyghurs. In recent years Uyghurs have protested repeatedly against the Chinese politics of intervention and have called for more independence from the state. Separatism still is a strong movement.

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173 Fazil, 2014, 84.
in Xinjiang. In 2009 a row of violent protests took place in Urumqi involving over 1,000 Uyghurs. The uprisings were by the states police, but according to the media nearly 200 people were killed, most of them Han Chinese. Hereafter, the Turkish Prime Minister Recep Tayyip Erdogan paid a visit to Urumqi, stressing the advantages of an amicable Sino-Turkish relation and focusing on bilateral economic strategies for the future.¹⁷⁴

The Central Government however interprets these ongoing riots as terrorism but pursues a policy of compliance in view of Xinjiang’s valuable mineral resources. The state therefore finances urbanization, new infrastructure and buildings to raise the standard of living. These measures do not appeal to a major part of the Uyghur population, because to them the imposed modernization equals the disruption of their cultural identity and heritage and ignorance to their lifestyle.

¹⁷⁴ Gosset, David, The Significance of Sino-Turkish Relations. The Huffington Post, retrieved from: https://www.huffingtonpost.com/david-gosset/the-significance-of-the-s_b_3783780.html (18.01.18).
After the serious Uyghur riots that struck Urumqi in 2009, the Central Government started concentrating on solving the issues that, from their point of view, caused the social injustice in Xinjiang. In the 13th Five Year Plan the CCP presented their concept to leverage the region's social and economic development systematically. Stabilizing Xinjiang's society through economic and infrastructural development became the government’s strategy. The government defined reforms in education and investing in the poor infrastructure in order to bring economic activity to the region as a major milestone until 2020.175

Since the birth of the Belt and Road Initiative in 2013, Xinjiang assumed a key role in China's economic expansion towards the West. As part of the New Silk Road venture, twelve major infrastructural development projects have been launched in Xinjiang176:

1. Urumqi City Logistics Development Plan
2. Kashi Special Economic Zone
3. Xinjiang International Logistics Park
4. Khorgos Dry Port
5. Lanzhou-Xinjiang High-Speed Railway
6. Hami-Ejin Railway
7. Kuitun-Sailimu Highway
8. Xinjiang Highway Project
9. Korla-Kuqa Section Road Improvement
10. G3013 Kashgar-Irkeshtam Expressway
11. G3012 Turpan-Hotan Expressway
12. G314 National Road

176 For a detailed map of Xinjiang’s economic facilities and infrastructural development See Fig. 6, page 93.
6.1 Roads and Railroads in Xinjiang

Xinjiang’s current roadway network still marginally links the major cities through single long-distance crossovers. The challenging, rocky environment complicates the road construction. At present, XUAR’s only road connection to the East runs in the North via the Gansu Corridor and Lanzhou. According to the director of the XDRC, Zhang Chunlin, still less than half of the cities of Xinjiang’s cities had access to motorways in 2017.\(^{177}\) The outdated conditions of the highways are dangerous and frequently provoke serious accidents. In 2016, 4992 traffic accidents were recorded in Xinjiang, with a total death rate of 1881 people. By comparison, in Beijing 2637 accidents took 922 lives.\(^{178}\)

The existing domestic highway system connects the major cities. The National Road proceeds transversely across the province along the northern rim of the Tarim Basin, linking Kashgar and Urumqi.\(^{179}\) The upgrade of the Korla-Kuqa section on the way is part of the OBOR project. The newly constructed G3012 Turpan-Hotan Expressway represents a north-south route, finally inking the cities Turpan and Hotan.\(^{180}\) This route is also part of the CAREC Western Europe-Western China highway, joining the Kazakh road section at the Khorgos border crossing. The Almaty-Khorgos section of the corridor already became effective in 2013.\(^{181}\) Further south, a highway linking Kashgar with Kyrgyzstan is under construction. The Kashgar-Irkeshtam Expressway leads westwards from Kashgar via the Kyrgyz border crossing point of Irkeshtam.\(^{182}\) Likewise, the Karakoram Highway starts from Kashgar running south, towards the Khunjerab-Pass at the Pakistani border.

The existing domestic railway system was – to a great extent – established before the 19080s. The Lanzhou-Xinjiang (LanXi) line, that was first put into service in

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\(^{177}\) Mao, Weihua; Cui Jia, Xinjiang to invest huge amount in road network. China Daily/Europe 20.02.17, retrieved from: http://europe.chinadaily.com.cn/epaper/2017-01/20/content_28006247.htm (21.11.17).


\(^{179}\) G314 National Road Project, Reconnecting Asia, retrieved from: https://reconnectingasia.csis.org/database/projects/g314-national-road/5fee235f-2336-48da-a31a-920cbdb606f/ (13.03.18).

\(^{180}\) G3012 Turpan–Hotan Expressway, Reconnecting Asia, retrieved from: https://reconnectingasia.csis.org/database/projects/g3012-turpanhotan-expressway/1d5c7885-d846-4edd-a04d-73338ed13fac/ (14.03.18).


\(^{182}\) G3013 Kashgar-Irkeshtam Expressway, Reconnecting Asia, retrieved from: https://reconnectingasia.csis.org/database/projects/g3013-kashgar-irkeshtam-expressway/c5c46e72-c8a1-4ac0-82ed-c9fa131d1a7d/ (13.03.18).
1962 remains the only rail connection between Xinjiang and Beijing until today.\textsuperscript{183} Between 2009 and 2014, the section was upgraded to the first high-speed trainline in Xinjiang, abbreviating the journey from 40 hours to 16 hours. The 530km route between Urumqi and Hami was the last missing piece added to the high-speed mode.\textsuperscript{184} The passenger line between Urumqi and the city of Lanzhou in the neighboring province of Gansu is attached to the Lianyungang-Lanzhou (LongHai) line. In total this railroad will reach a length of over 40,000 km and therefore accounts for 60% of the global existing high-speed rail network.\textsuperscript{185}

Other XUAR domestic lines run between Hami, Turpan, Urumqi and Alashankhou, between Kashgar and Hotan, or connect Urumqi via Korla with Kashgar along the Southern Xinjiang Railway Line.\textsuperscript{186} The Taklamakan desert constitutes an insurmountable obstacle, forcing the railway to be built around it. In northern Xinjiang, the city of Altay that is strategically important for foreign relations with Mongolia and Russia, remains without train access to this day. Although a line exists between Karamay and Beitun, Altay is only reachable via bus. Construction plans linking Altay with Urumqi are part of the Belt and Road Initiative.\textsuperscript{187}

Through the New Silk Road, Xinjiang will be connected to the Central Asian railroad system and thereafter transform into a Chinese logistic train junction for international traffic from Pakistan, Tajikistan, Iran, and ultimately Europe. A planned Chongqing-Xinjiang-Europe Railroad system was suggested in 2014 and would provide a connection between Urumqi and the central Chinese city of Chongqing.\textsuperscript{188} The China-Pakistan Railway (Karakoram RW) was also proposed in 2014, to improve and diversify the Sino-Pakistan cooperation, as an additional means of transport to the Karakoram Highway. Its construction will commence in 2018 and will be directly linked to the Kashgar-Hotan railroad that was completed in 2011. Kashgar also constitutes the starting point of the Dushanbe-Osh-Kashgar railway construction project that is currently being negotiated between Tajikistan,

\textsuperscript{186} Nayal, 2012, 116.
\textsuperscript{187} Xin Wen, Beitun-Altay Railway gets rolling in Xinjiang, China Daily, 12.06.17. retrieved from: http://www.chinadaily.com.cn/m/xinjiang/urumqi_toutunhe/2017-06/12/content_29721506.htm (07.01.18).
Kyrgyzstan and China. In 2015, a China-Iran railway line was proposed, with 9000 km being by far the most extensive Central Asian inter-rail project, connecting Urumqi with Teheran via Yining, Almaty, Bishkek, Tashkent and Ashgabat.

6.2 Khorgos Gateway

Probably the best example of the construction-boom that cities and states along the New Silk Road are subjected to, is the small border city of Khorgos at the Sino-Kazakh border, though on Kazakh territory. Khorgos used to be no-man’s land and is currently being transformed into a huge dry port and a main junction for international exchange. The upgrade of Khorgos to a logistic-trade center that will supervise and improve the economic activity between China and Central Asia, is one of Xinjiang’s jumbo projects.

The transformation involves the construction of the world’s largest dry port including a Logistic and an Industrial Zone, an International Center of Border Cooperation (ICBC) for border security as well as free trade, and the establishment of a SEZ that offers favorable conditions to foreign and domestic companies. Constituting the border node between Kazakhstan and Xinjiang, all commodities leaving China towards Central Asia and Europe are being handled here, as are the energy resources entering China. After its completion, Khorgos will have access to the Trans-Eurasian railway system as well as to the Western Europe-Western China Highway. It will also be a key station for gas and crude oil transportation into China, as the Central Asia-China gas pipeline, the Turpan-Beynew pipeline and many others pass through Khorgos. The project was initiated in November 2013 and construction commenced in July 2014. It is managed by a distinctly found firm called Khorgos Gateway LLP Company. Khorgos is a cooperation between the Kazakh development program Nurly Zhol and the Belt and Road Initiative. Eagerly referred to as the New Dubai, which equally emerged out of a small town, the city is growing rapidly. Khorgos – also known as Horgos, Khorgas or Qorgas


191 KTZE-Khorgos Gateway, 2014, retrieved from: http://en.khorgosgateway.com/sections/%D0%BF%D1%80%D0%B5%D0%B8%D0%BC%D1%83%D1%89%D0%B5%D1%81%D1%82%D0%B2%D0%B0-27.12.17.

– is located at the Kazakh border, in North western Xinjiang in the independently
governed prefecture of Ili. The city’s territory covers an area of 1.900km and
stretches over the Kazakh border. Khorgos had always been a highly frequented
border crossing on the ancient Silk Road. During for most of the time the Soviet
Union and the Sino-Soviet border including Khorgos gate was closed. Trans-border
contact with Central Asia was slowly reestablished in the 1990s.193 The dry port is
actually being built on Kazakh territory, but the full impact of its economic capacity
will hit both sides of the border.

Khorgos dry port covers an area of 129,8 hectares and advertises with clear,
uncomplicated organization of cargo transition. The port’s modern logistical
equipment enables the staff to efficiently handle the transshipment of incoming
containers via online schedule. There are different terminals for dealing with
different types of containers and cargo. One of the key tasks of the dry port is
gauge changing. China uses the same gauge system as western European trains
which differ in track width to the Russian pattern, that was applied to the former
Soviet Union states bordering with China. Therefore, all container cargos have to
change to suitable trains at the Khorgos Railway Exchange Station, where they are
lifted and transferred via crane mechanism.194 The management is very transparent
for companies. Companies settling there enjoy a variety of tax privileges including
corporate income tax, land tax, property tax and value added taxes. The Khorgos
strategic cross road location open access to different markets, and proper transport
connection. Simplified administrative and logistic procedures within Khorgos SEZ
also attract multi-nationals, as do large-scale security installations, communication
and electricity supply. All imports into the zone are exempted from custom duty.195

Chinese companies provide infrastructure and comfort for local workers that live
in the nearby town of Nurkent that was built for that explicit reason.196 The swift
realization of mega projects like Khorgos Gateway is possible due to the very
different social and socio-political circumstances in China. Cities emerged rapidly
out of nowhere, due to economic growth and buildings do not have a very long
tradition. People are not as closely tied to a specific place; work often dominates

194 Belt and Road Initiative: Khorgos: the biggest dry port in the world: A visual explainer. South China Morning Post,
196 Higgins, Andrew, China’s Ambitious New ‘Port’: Landlocked Kazakhstan. The New York Times/Asia Pacific, 01.01.18, retrieved from:
private life and quite frequently they move for work. Unlike in other parts of the world, resettlement is promoted by the government. The individual human being is more dependent on the CCP. In Europe, the construction projects initiated by the government take decades to be realized due to people having more power and being able to make their own decisions.

6.3 Wind Energy – Xinjiang as a Forerunner in Sustainability

Among renewable energy initiatives, wind energy is a forerunner in Xinjiang. The north eastern region is particularly suitable for wind power production. Those wind-rich areas spread over nine distinct wind zones: the Dabancheng, the Junggar Basin, Alataw Pass, the west of the Turpan Depression, Gobi to the north Hami, Gobi to the south of Hami, the Irtysh river valley, Lop Nor and Baili. Together they compose an area of over 150,000 km² for potential wind energy generation. The best-known and also largest wind park existing in Xinjiang is the Dabancheng wind power station, east of Urumqi in the famous Barry wind area, with a size of 5880 km².

China’s most prominent and, as a matter of fact also the second largest wind station company world-wide, is the Goldwind Company (Xinjiang Goldwind Science & Technology Co., Ltd.), based in Urumqi. The firm was founded in 1998 and today is listed among the global leaders. In 2014 Goldwind accounted for 2.8% of China’s total energy production. Through the Silk Road Initiative, the Central Government encourages the company to expand overseas and approves of wind power projects in countries like Thailand, Panama, Pakistan, Romania, Serbia and even Australia.

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197 Xu, Li-jun (et al.), Renewable and Sustainable Energy Reviews, 2017, 277.
The establishment of Sino-Pakistan cooperation dates back to the early 1960s, when Pakistan was the first country that recognized the Communist State of China. From that moment on, the two states have been supporting each other economically as well as geopolitically. To Pakistan, China represents a strategic opposite pole to the emergence of India in Central Asia. China on the other hand, uses Pakistan to expand its influence in Central Asia and forge closer ties with other Muslim countries. "Pakistan is our Israel", a Chinese diplomat explained to a US fellow delegate in 2010, comparing their bilateral relation with US support backgrounds for Israel. Midway through the Kashmir Conflict, when China seized Shaksgam valley and Aksai Chin, China and Pakistan formed an alliance against India. Soon after, the Karakoram Highway was built and connected the two countries. The present-day bilateral relation between China and Pakistan is based on a series of Free Trade Agreements (FTA) that were signed and became effective in 2007, redefining tariffs and import-export conditions.

As a regional sub-project of the Silk Road Initiative, the 2.700 km long China-Pakistan Economic Corridor (CPEC) will link Kashgar, Xinjiang with the Gwadar deep sea port, giving China access to the Arabian Sea. It constitutes a fusion between the Silk Road Economic Belt and the 21st Maritime Silk Road, thereby significantly cutting transport times between China and Europe.

The CPEC project was launched in 2013 through a Memorandum of Understanding.

In the course of the CPEC implementation, Pakistan is undergoing a severe infrastructural transformation, including road and railroad networks, energy and resource allocation, and logistic facilities, like Havelian Dry Port. The construction, though supervised by the Pakistani government, is mainly being carried out by

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202 See Fig 7, page 94.
Chinese companies that bring technical know-how and better management skills. Pakistan – already shaped like a corridor – is being downright colonized by China, Chinese ideas and enterprises, preparing the country for Chinese economic activities in Gwadar and the transport of commodities in and out of China. Pakistan’s official CPEC office speaks in high terms of the newly intensified Sino-Pak cooperation, and calls the project a win-win situation. For sure, the corridor will modernize Pakistan and enhance economic development by making it attractive to foreign investors, but from a radical perspective, China is turning Pakistan into a puppet state. Beijing is using Pakistan to set foot and gain influence in the Middle East.\textsuperscript{204}

The intensification of Chinese presence in the Arab world and Gulf, does not only concern China and Pakistan, but generally enhances the economic development and regional integration of India, Afghanistan and Iran. The CPEC is also part of the 5\textsuperscript{th} CAREC corridor, that is planning on integrating the immediate vicinity, Kyrgyzstan, Tajikistan and Afghanistan via detour route. The project has been approved and many subcomponents – mainly road sections in Tajikistan and Kyrgyzstan have been completed successfully. The new accessibility of Kabul means the economic opening of Afghanistan to its neighboring states and potentially leads to peaceful commercialization.

7.1 Gwadar Deep Sea Port

The vision of Gwadar, situated at the CPEC’s southern end, is the driving force behind the project. Providing sea access to Xinjiang completes Beijing’s Western Development Strategy, for the extreme landlockedness of western China is supposedly fundamental for its economic underdevelopment. China’s flourishing port cities are all located on the east coast, more than 4000 km away from Xinjiang, whereas the distance between Gwadar and Kashgar amounts to roughly 2500 km. China’s investment in Gwadar therefore results from the city’s numerous strategic and economic advantages.\textsuperscript{205}

First and foremost, Gwadar is located not only at the Arabian Sea – obviously reducing the cargo shipping time to Europe to one fifth of the transport times from the Chinese port cities – but it is also close to the Central Asian oil reserves and

\textsuperscript{204} Hussain, Ejaz, China-Pakistan Economic Corridor: Will It Sustain Itself? In: Fudan Journal of the Humanities and Social Sciences, 2017, 10(2), 151.
\textsuperscript{205} Ibid, 151.
situated near the entrance to the Strait of Hormuz, an important oil shipping route, and the gateway to the Persian Gulf.\textsuperscript{206}

Secondly, a Chinese port city in the immediate vicinity to Central Asian Countries serves as a useful basis for China’s future business cooperation with Muslim countries and, as it is not PRC territory, Pakistan represents a potential buffer in risky times.

Thirdly, and this is essential for Xinjiang’s future, Gwadar port expectedly brings economic prosperity to Kashgar and XUAR, being the main gateway for cargos imported into China. It thereby constitutes a port, that Xinjiang factually has a monopoly upon, in terms of Chinese territorial capabilities.

Finally, Gwadar also serves a potential military purpose, primarily for the Pakistani navy, to counteract the Indian influence in Central Asia, as a growing regional power.

The strategic potential of Gwadar has been generally known, long before constructions started. When first ideas about building a deep sea port began circulating after 1958, the location was only a small fishing village offering little infrastructure, about 500km away from Karachi. The Pakistani government officially proposed the idea of an international deep sea port at Gwadar in 1991. The project received little attention, until China agreed to finance and construct the port facilities in 2002. In 2006, a Chinese company was finally chosen to turn Gwadar into a port.\textsuperscript{207}

As part of the CPEC, the two governments developed a long-term vision of further transforming Gwadar into a huge international junction – at sea and ashore – with multiple super projects. Apart from the ports expansion, there will be a Smart Port City, with modern residential buildings and proper civil infrastructure, including hospitals and schools, to attract settlers. Gwadar has access to the CPEC highway and railway system, as well as to Gwadar International Airport. Visitors and tourists are lured by different luxury hotels at the coastline. The Sino-Pak plans include a CPEC Business Zone, an Industrial Zone and a China-Gwadar Free Zone.\textsuperscript{208}

7.2 The Karakoram Highway – The Highway and Railway Network

CPEC facilitates the large-scale construction of north-south traffic and transport routes through Pakistan, from Xinjiang’s border to the Arabian sea. The Karakoram Highway comprises the first section of the road network starting from Kashgar via

\textsuperscript{206} Khan, Shabir, Ahmad, Geo-Economic Imperatives of Gwadar Sea Port and Kashgar Economic Zone for Pakistan and China. In: IPRI Journal, 2013, 13(2), 89.
\textsuperscript{208} International Port City Gwadar Homepage, 2018, retrieved from: http://www.ipcgwadar.com/international-port-city-gwadar/ (18.01.18).
the Khunjerab Pass to Islamabad, where the corridor divides into a south-eastern passage towards Karachi and Port Qasim via Lahore, Faisalabad and Hyderabad, and a south-western passage way, towards Gwadar, via Quetta and Surab. Peshawar, Quetta, Gwadar, Faisalabad, Lahore, Hyderabad and Karachi. 209

The Sino-Pak cooperation also plans to upgrade and extend Pakistan’s existing railway network that is only established sufficiently in the eastern region. This endeavor involves not only the construction of new lines, linking cities that are lacking train access until today, but also capacity expansion, electrification and modernization of existing railroads. In due course Gwadar will be linked to Karachi in the east, and Jacobabad in central Afghanistan, where it will further connect with a trainline going northwards to Islamabad. A long-term project, the Havelian-Kashi Railway has also been proposed, providing connection between Kashgar Havelian dry port near Islamabad.210

The 1.300 km long Karakoram Highway (KKH) links Kashgar and the Pakistani capital Islamabad across the Pamir and Karakoram mountain ranges in Pakistan occupied Kashmir, constituting the only land route connection between China and Pakistan.

The original highway was constructed during the 1960s and 70s – completed in 1979 – under precarious conditions due to avalanches, landslides and other natural endangerments, claiming numerous fatalities. Then and now, the KKH is a symbol for the cooperation between China and Pakistan and a statement for India. While China’s section is paved and therefore safer, the Pakistani side remained covered by dirt roads, limiting its accessibility down to four months each year.211

In 2006, China and Pakistan signed a Memorandum of Understanding concerning the reconstruction of the KKH. The upgrade is structured into different phases and sections on the Pakistani side, predominantly in Chinese hands. The main contractors are the China Communications Construction Company (CCCC), and China Road and Bridge Cooperation (CRBC), that provide construction workers and machinery. The section-wise rebuilding divides the routes between Khunjerab-Raikot, Raikot-Thakot, Thakot-Havelion. The KKH upgrade’s overall objective is infrastructural improvement, including a properly organized logistic system,

allowing the KKH to be open to traffic throughout the year and thus enhance trading activity between Xinjiang and Pakistan.\footnote{Karakoram Highway, Reconnecting Asia, retrieved from: https://reconasia.csis.org/database/initiatives/karakoram-highway/71076744-1084-47d4-a240-87c3f882d989/ (23.11.17).}

An incident that illustrates the gravity of risk associated with the KKH, is the creation of an artificial lake that flooded parts of the interstate. Between 2010 and 2015, 22 kilometers of the highway were blocked, when a massive landslide dammed the paralleling Hunza River, forming the Attabad Barrier Lake.\footnote{Hayat, Tahir; and others, Case History: Attabad Landslide- Dam Disaster in Pakistan 2010. In: ISMGE Bulletin, 2010, 4(3), 25.} For five years, bypassing traffic was only possible via small wooden boats. US offers to pump down the artificial lake, were consistently turned down by Chinese authorities, resenting any US interference in the region. Instead a Sino-Pak cooperation built a circumvention of five China-Pakistan Friendship Tunnels that started operating in 2015.\footnote{Haider, Ifran, PM Nawaz inaugurates Pak-China Friendship Tunnels over Attabad Lake, The Dawn, 14.09.15, retrieved from: https://www.dawn.com/news/1206911 (04.12.17).}

With the approval of CPEC in 2013, the Karakoram Highway became part of a bigger economic perspective, providing China a western sea access. Ipso facto, the significance of the KKH has increased, being the only connection between China and Pakistan. Beijing is using Pakistan to set foot and gain influence in the Middle East.

### 7.3 Generation of Energy

In order to make Pakistan attractive for Chinese investors and generally promote the establishment of companies, Pakistan has to overcome one major challenge, namely its serious electricity shortages.\footnote{Ali, Yousaf; and others, Energy Optimization in the wake of China-Pakistan Economic Corridor (CPEC). In: Journal of Control and Decision, 2018, 5(2), 129-130.} Apart from extensive infrastructure to enable long-distance transport, China is eagerly setting up powerplants, to make Pakistan suitable for business. The CPEC initiative has launched fourteen energy priority projects, setting up wind and solar farms, as well as hydro-power stations and coal fields to counteract the problem. Port Qasim Coal Fire Power Project, the Gwadar Power Plant, as well as the Kohala Hydro-Power Station and the Himpir Wind Power Project are amongst the energy generation objects funded by Chinese firms and are representatives for the transition, Pakistan is going through.\footnote{CPEC: Energy, Progress Table. http://www.cpecinfo.com/energy-generation (21.01.18).}
The newly available electricity is directly linked to a trans-national logistic system that is also being established as part of CPEC. Pakistan and China will share a cross border Optical Fibre Cable, that improves the logistic management of the corridor and the bilateral communication between the two countries.

7.4 The Relevance of CPEC for Xinjiang

As part of the Silk Road Economic Belt, the corridor represents an extension of the Western Development Strategy, focusing on Xinjiang’s southern region. The Chinese CPEC zone encompasses the areas of Kashgar, Tumshuq, Atushi city, as well as Akto county in Kizilsu Kirghiz Autonomous Prefecture, that will function as the northern springboard to the Karakoram Highway. Among the currently constructed international transport routes – the only one leading southwards, the CPEC contributes to Xinjiang’s transformation from a gateway periphery into China’s western key economic center.

Closely linked to the economic perspective, the CPEC also intensifies the Sino-Pak political cooperation with Xinjiang as the main agency. The partnership with Pakistan not only creates job opportunities of Chinese citizens in Pakistan, but simultaneously attracts firms to settle down in Xinjiang and participate in the logistic and economic sphere of the CPEC. In order to create an efficient network, Xinjiang’s infrastructure needs to be equally adapted.

The Sino-Pak relation also exists on a social and civil level. This includes the cooperation between the Pakistani National University of Modern Languages (NUML) in Islamabad and Xinjiang’s Normal University in Urumqi, offering scholarships and study abroad programs. In 2015 two Universities both launched an International Conference about CPEC, open to the public, to raise awareness and explain its impact.217 A year later, NUML announced the establishment of the university’s first International Center of Education in Urumqi.218 The long-term educational connection that is being created between Xinjiang and Pakistan strengthens the Sino-Pak relations and illustrates the cultural scope of the CPEC. Peaceful cooperation facilitates research development with contributions from both sides and moreover creates an economic entity that flourishes through various exchanges.

Pakistan’s cultural influence on Xinjiang – being a Muslim country – may weaken Beijing’s authority in the region. Maintaining a peaceful relationship with Pakistan,

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that is important to the PRC anyway, with regards to the Central Asian region, thus becomes even more crucial. The international community doubts the mutual-benefits of the CPEC, however by taking a closer look at the affair, it becomes clear how much China equally depends on the Pakistani friendship.
The urban areas of Kashgar and Urumqi are both representative for Xinjiang’s different development stages. XUAR is a country larger than Germany and progress is unlikely happening simultaneously. The Tian Mountain range divides the region into an industrial north and a traditional south. The north, including Xinjiang’s capital Urumqi has been affected by Beijing’s Western Development Policy much earlier and more intensely than the south. Its infrastructural development and sinofication, especially of the resource rich and industrial areas of Urumqi, became prioritized, while the south, dominated by the Taklamakan desert and its oasis cities still lacks behind.

Accordingly, Han Chinese migrants outnumber the indigenous Uyghur population of Urumqi today. Of 2,41 Mio residents in 2009 1,75 Mio were Han Chinese whereas only 0,31 Uyghurs remained.219 Urumqi is directly connected to China’s east coast, through high speed railway and has been serving the government as a benchmark in XUAR since the 1950s. The capital is equipped with a relatively widespread public transport system (compared to other cities in Xinjiang), an international airport and railway station, as well as distinct industrial and economic zones. It therefore takes less effort to do infrastructural upgrades here than in the cities of the South.

Kashgar on the other hand represents one of the best-preserved historical cities of the Islamic culture. While Urumqi was colonized by Han Chinese, Kashgar became an outpost and the heart of the Uyghur culture. For its residents, the Chinese modernization of the city equals the eradication of the Uyghur ethnic identity. Kashgar’s transition into a city of modern standards starts far behind Urumqi’s transition. Kashgar was electrified in 1958 and received running water only in the late 1990s.220

The different stages of modernization Kashgar and Urumqi find themselves in, make them perfect models to illustrate the challenges the Chinese government has to face, and the various methods it applies to enforce the Belt and Road Initiative.

219 Howell and Fan, 2011, 125.
According to the proposals, Urumqi will serve as a junction for the CAREC and other projects of the Eurasian Bridge, while Kashgar will be the origin of the CPEC and will link China to southern Central Asian Countries like Pakistan and Kyrgyzstan as part of the TARCECA program. Urumqi’s cityscape most likely mirrors Kashgar’s future. For Beijing, Kashgar constitutes a heartland of Islamic extremism that urgently needs to be assimilated, as its threatens Xinjiang’s security.

8.1 Urumqi

Xinjiang’s capital and largest city is the political, economic and scientific center of the region north of the Tarim Basin and the Taklamakan desert. It is often called the “West Gateway of China”, for it represents the last and main agglomeration in that area before the eastern border, with a current population of 3.5 Mio. (dated in 2013). Urumqi’s given name originally means beautiful pasture land, for it used to be a settlement for nomadic farmers before 1949.

The city’s historical contribution to Central Asian ancient history is restricted to a – compared to other cities like Kashgar – relatively small node along the ancient Silk Road. In 1763, during the Qing period, it became an administrative center wherefrom the buffer zone of what is today XUAR, was supervised against the Mongols. Before the Communist Era, Urumqi only had about 100,000 inhabitants and hardly any infrastructure. The city was a mere urban settlement region for local farmers.

During the Maoist period (1949-1978) – especially after 1963 – Urumqi underwent a rapid urban expansion, as the Central Government implemented a policy of extensive industrialization to create self-sufficient cities, provoking mass immigration. Migration was particularly enhanced after the Lan Xin railway started operating in 1963 and connected Urumqi to China’s east. The industrialization created job opportunities and introduced the development of the second and tertiery economic sector. As the city learned to exploit its comparative advantage, Urumqi’s society turned into a production oriented one, with a growing middle class. The city’s multi-ethnic population lived and lives in mixed communities in different urban quarters. The annual growth of population was 7.8%. The massive economic development was contradictory to the scarceness of natural resources, especially

223 Ibid.
224 Ibid, 119.
225 Ibid.
accounting for water and agriculture. The ages between 1963-1975 and 1990-1999 mark the two major immigration periods. Today Urumqi is the main focal point for Han Chinese migrants and as Xinjiang's economic and industrial center, the city's demographic structure reversed from a homogeneous Uyghur population to 75% Han Chinese.\footnote{Ibid.}

The suburban area around Urumqi achieved an industrial upgrade in the 1990s when several economic zones were established in the so-called \textit{Urumqi Metropolitan Economic Development Area} (UMEDA).\footnote{In: \textit{Sustainability}, 2016, 8(3), \textit{Wang, Guiling (and others), Study on Industrial Integration Development of the Energy Chemical Industry in Urumqi-Changji-Shihezi Urban Agglomeration, Xinjiang, NW China. In: \textit{Sustainability}, 2016, 8(7), 3-4.} In order to increase the regional economic output combined metropolitan of the Urumqi agglomeration area, namely in the cities of Turpan, Changji, Shihezi and Wujiagu were combined. Each city focuses on the development of its comparative advantage.\footnote{UHDZ China Daily, retrieved from: \url{http://www.chinadaily.com.cn/m/xinjiang/urumqi_hightech/2015-12/18/content_22744740.htm} (09.11.17).} Urumqi, as the center of the UMEDA, functions as the medium for international commerce and concentrates on the tertiar sector. The \textit{Urumqi State High-Tech Industrial Zone} (UHDZ) was founded in 1992 strongly promoted by the provincial government. Located in the north of Xinjiang’s capital, the zone incorporates Ganquanbao Industrial Park and it is subdivided into a technological and a “pioneering” area that specializes in high-tech and has a section for export-oriented processing. The premise is home to several research facilities including 33 universities and colleges, a Research and Development industry and about 8,000 companies.\footnote{Ibid.} The UHDZ reinforces China’s pillar industries of sustainable energy, new materials, biomedicine, equipment manufacture, coal industry, and the modern service industry, by creating privileged conditions for domestic, as well as foreign companies. By directive of the municipal government, the park particularly concentrates on enhancing the development of local companies like the Xinjiang New Energy Co, Xinjiang Tianfeng Wind Power Co, TBEA, Xinjiang Join World Co and Xinjiang Amethyst Photoelectric Co.\footnote{Ibid.}

Along with WDP Urumqi’s development was further promoted. State loans were provided to upgrade the Urumqi Railway Station into a logistic transport hub and highways leading or bypassing the city were expanded and improved. CAREC also drew its attention to the Urumqi, making it an important junction along corridors one, two, four and five.
8.1.1 Urumqi’s Urban Transportation System

Due to major economic and industrial development, the share of private cars among Urumqi’s growing middle class is increasing significantly whereas the most prominent modes of transport – cycling and walking – face a decline. In 2005, the Urumqi city motorway, built within a former river basin became operational. However, especially the road conditions within the city center are marginal causing daily traffic jams, and a high accident rate. To improve the current traffic circumstances and adapt Urumqi to modern infrastructural standards, the government decided to turn to mass transportation.

In 2010, the Urumqi Municipal Government (UMG) initiated a Comprehensive Transport System Plan, to be implemented by 2020. Its key project is the construction of a public mass transportation network covering the city to improve the general mobility of its citizens. The plan involves seven underground metro-lines and a Bus Rapid Transit System (BRT) of equal size. The existing regular bus network is operating inefficiently, as tied to poor road conditions. The infrastructural expansion is partly being implemented by the CCP’s urban development programs piloting in different Chinese cities, namely the Transit Metropolis Demonstration Project (initiated by the Ministry of Transport) and the Smart City Program (initiated by the Ministry of Housing and Urban-Rural Development) and receive honest support of various local and municipal institutions.  

The construction of the first metro line started in 2014 and will be put into service in 2018, linking southern Urumqi with the airport in the northwest. The first sections of line three and four are planned to be opened in late 2018. A great contributor to the infrastructural development is the Second Urumqi Urban Transport Project that was launched in 2015 and is to be completed in 2021. The project elaborated a substantial scheme along which the Smart City Program proposed infrastructural upgrade will be realized. It involves the establishment of the Urumqi Urban Comprehensive Transport Project Research Center, extensive public transport infrastructure, capacity building as well as the construction of three new BRT corridors. The implementation covers the establishment of new BRT lanes, stations and busses on the one hand, but in general involves an overall recovery of Urumqi’s road system, including pedestrian walking and crossing facilities. 

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The development of a centrally coordinated, highly efficient Transport Information Management System Platform (ITS) constitutes another priority goal for the Urumqi government. The system will provide traffic information data and thereby connect all parties that are responsible for traffic security – like the police – or involved in shareholding like bus maintenance and electricity providers. The public transport installations that have been established so far are very modern and environmentally friendlier than the previous ones. 233

Despite the economic advantages these infrastructural measurements bring about, Urumqi’s transition is accompanied by several challenges, especially of social and environmental nature. Like many other cities in Xinjiang, including Kashgar and above all Korla, Urumqi suffers from frequent air pollution caused by its extreme landlockedness, weak ecosystem and the extensive use of coal as an energy source. Another problem Urumqi will have to deal with is water shortage. The glaciers in the Tian Shan mountains regulate the city’s water supply. However, XUAR authorities will have to look for alternative sources in the future if the melting continuous. 234

8.1.2 Urumqi and the Belt and Road Initiative

Especially for Kashgar, the city represents a glimpse into the future, showing what Chinese development comes along with. Urumqi’s economic development since the late 20th century remained fairly unrecognized by the international community. Now the progression and modern infrastructure is often being associated with the brand of the Silk Road.

Urumqi, already being the economic center and most progressive industrial as well as technological crossroad of Xinjiang is likely to further benefit from Beijing’s investment and attention. In contrast to Kashgar, Urumqi has assimilated to Chinese cities standards of the east coast. By now, the city is reasonably well connected to the east via high speed railway and the National Trunk Highway System. The New Silk Road Initiative concentrates on the western and norther connection that will boost Urumqi into becoming a western Chinese Shanghai. Urumqi requires the infrastructural development to be able to function as a reliable center for economic cooperation with Kazakhstan, Uzbekistan, Russia and furthermore the European hinterlands.

As part of the Belt and Road Initiative, Urumqi’s main railway station is being turned into huge international transport hub, managing im- and exports with a


233 Ibid.

234 Wen, Xiaolei, 2011, 123.
greater range. The city is also being transformed into an important logistic center, with a Xinjiang International Logistics Park currently being established in the northwest, near the railway station, in accordance with the Urumqi City Logistics Development Plan 2013-2020. It seems like the development of XUAR’s capital is being lifted to another level. After its creation, the infrastructure needs to be made efficient and competitively viable to attract firms and optimize its capacity. From Beijing’s perspective, Urumqi constitutes the westernmost control center before the Chinese border and it is important to have running infrastructure.

The further sinofication of the city at all levels is therefore an essential part of the Belt and Road Initiative as it is expandable. Although Urumqi is already home to more than 2 Million Han Chinese and underwent a massive modernization, convincing the Uyghur population to live with this, is yet the true and also hardest challenge, the Silk Road Initiative will have to overcome with regards to Urumqi. The institution and roads have already been established. But infrastructure and progression alone will not solve the problem – on the contrary – for the Uyghurs, the development is just disguised sinofication. Although most of Urumqi’s modernization took place before the announcement of the Belt and Road Project, the successful development of Urumqi constitutes China’s main publicity gag and advertisement for Eurasian cooperation as an example for the lucrative implementation of the New Silk Road.

Since 2011, Urumqi is hosting the China-Eurasia Expo (CAE Expo) that, on the one hand, promotes the cultural and technological exchange between Europe and China, and on the other hand raises awareness about Xinjiang as an aspiring part of China. Chinese authorities describe the CAE Expo to be an important platform for building the Silk Road Economic Belt, enhancing diplomacy between Xinjiang and its neighboring states. It takes place at the Xinjiang International Convention and Exhibition Center, which is therefore an important building of the OBOR’s PR, offering room for publicity and hosting numerous events to spread the idea of the Silk Road.

The Silk Road Economic Belt as a very modern concept and prolonging future project also promotes environmental protection and a turn to alternative energies. The implementation of this new trend is a positive perspective for Urumqi’s pollution and problem of water shortage. Projects like wind and solar parks may eventually change the city’s energy supply in the right direction. Projects like the

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235 Xinjiang International Logistic Park, Reconnecting Asia, retrieved from: https://reconnectingasia.csis.org/database/projects/xinjiang-international-logistics-park/2dd9ae9-83f8-459e-977e-a0a01616b5ec/ (04.01.18).
236 China-Eurasia Expo, retrieved from: http://en.caeexpo.org/ (04.01.18).
DaBanCheng Wind Park not only solve the imminent energy crisis but may also help Urumqi with environmental problems.

8.2 Kashgar – Development Versus Tradition

Unlike Urumqi, Kashgar is characterized as the most complete urban historical center in Xinjiang and has managed to preserve its traditional Uyghur atmosphere until today. The Chinese call the southern part of Xinjiang “Nanjilang”, meaning bright south. It is the part that has always lacked development in contrast to the proportionately wealthier north. Kashgar is an oasis city of almost 4 million inhabitants, located in and capital as well as largest city of the Kashgar prefecture, close to the Pakistani border within the Taklamakan desert, in the margin of the Tarim cymbal. Kashgar – also Kaxgar – is an important economic center, 4000 km away from Beijing and 1.500 km from Urumqi. Like most major cities in Xinjiang, it has been subjected to a strategic sinofication since 1949, although not to the extent of Urumqi. The revival of the Silk Road explicitly draws the Central Government’s attention to the ancient trade junction, with access to Pakistan, Tajikistan, Kyrgyzstan, India and potentially Afghanistan. Modern infrastructure to create favorable economic conditions is being brought to Kashgar, to promote the settlement of (foreign) companies as well as trading activity. Modernization however, already started during the 1960. In 2010, Kashgar was declared a Special Economic Zone which is now being constructed under the supervision of its new partner and pendant city Shenzhen.

8.2.1 The History of Kashgar

Kashgar was found in the 2nd century B.C., as a headquarter of the Buddhist Hinayana community. Between the 10th and the 12th century it was the center of the Uyghur empire under the Qarakhanid dynasty before the region was rotatory conquered by Chinggis Khaan and the Ming empire. During the Middle Ages, Kashgar became an important Silk Road junction, benefiting from the economic activity and the rich diversity of cultural influence. Nevertheless, the majority of the city's population was Uyghur and it remains an Uyghur hot spot until today. Due to its prosperity, Kashgar was an attractive target for conquest and subjected to frequent power shifts.

Chou, Bill, Ding, Xuejie, A Comparative Analysis of Shenzhen and Kashgar in Development as a Special Economic Zones. In: East Asia, 2015, 32(2), 120.

Michell and Gollings, 2008, 10-11.

Ibid.
Beijing’s attention was seriously drawn to Kashgar for the first time, when the British and the Russians discovered that the ancient Silk Road junction held an economic potential, where they could introduce their commodities. Suddenly Kashgar – which had been portrayed as wasteland – became interesting. Fearing its competitors, the Central Government responded with a settlement in order to maintain its political influence in the region. The changes that the strengthening of Chinese influence involved however equaled cultural suppression and replacement of the Uyghur people. Kashgar transformed into a site of Chinese power demonstration. In 1866, Yakub Beg, a former military commander and warlord, respectively of the Qing empire who against the penetrating Russians and British, declared himself ruler of Kashgar until his death in 1877.240

Throughout the 20th century the city of Kashgar and its people underwent a series of changes, regarding the city-scape, the culture and lifestyle and population and were the results of a number of political decisions. The Uyghur traditions are most significant to the people of Kashgar and defined the city's atmosphere and architecture: Mosques, markets and clay huts; the presence of Islam culture characterized its identity. Therefore, although part of China, Kashgar, like most of the rest of Xinjiang was not significantly influenced by the Chinese culture and mostly kept to itself. It is only natural that Kashgar, when the Uyghurs first struggled for independence in 1933-1934, served as a center for the First East Turkestan Republic.

In 1949, the communist takeover and the unification of China, brought about an ideology that demanded indoctrination and assimilation, without exception. Kashgar was also affected by the Han Chinese settlement policy though less than Urumqi and other cities in northern Xinjiang. During the Cultural Revolution, Kashgar turned into an object of Communist indoctrination. The education was adapted to the Chinese system and Koran lessons were strictly prohibited. The restrictions consequently provoked social unrest among the population and gave the Chinese reason to dread Islamic terror.241

The sinofication was accompanied by industrialization and modernization that resulted in a rapid demographic growth. While in 1949, only 30,000 people were registered living in Kashgar, its population currently exceeds 400,000, around 80% of them remain to be of Uyghur origin. During the 1960s the CCP started industrializing the local traditional businesses, by opening textile and wool-carpeting factories. Cotton became Kashgar's main export commodity. When Kashgar airport

241 Michell and Gollings, 2008, 10-12.
was built in 1976, followed by a railway connection to Urumqi in 1999, the city's economic and civil accessibility distinctly improved.

Modern Kashgar is a hybrid city. Modern infrastructure merges with the city's old town, enduring 2000 years of history. The city center is characterized by traditional mud and timber buildings of Uyghur architecture along with old Mosques that represent the local Muslim culture. As part of the Ancient Silk Road, the UNESCO proposed to add Kashgar to the World Heritage List – among other Silk Road locations –, requiring the compliance of the respective government. The PRC however reluctantly prolongs these inclusions with respect to their current modernization measures.\textsuperscript{242}

In 2009, Chinese authorities started transforming Kashgar's historical town, tearing down century old mosques, and replacing traditional mud houses with modern apartment blocks using bulldozers. The government justifies this modernization by referring to the improvement of people's living conditions and emphasizing that the new buildings are earthquake-proof and more accessible to fire brigades, in contrast to the historical ones. Throughout this modification policy, 50,000 citizens had to be moved to the city's outskirts, as part of a largescale resettlement program.\textsuperscript{243}

8.2.2 Kashgar and the Silk Road Economic Belt

Since the announcement of the CPEC in 2013 the anticipation for modernization intensified. Kashgar became the starting point of the corridor, as also the Karakoram Highway proceeds from there to Islamabad. In the course of the project, the infrastructure in Kashgar and of the surroundings is being reconstructed and expanded, to unfold the city's full commercial potential. This includes the construction of important interstates, linking Kashgar with the Kyrgyz Irkeshtam border post (Kashgar-Irkeshtam Expressway), and with Hotan. Road improvement measures also affect the inner city, where buildings are being relocated to widen the streets. The fact that Kashgar is very traditional with a majority of Uyghur inhabitants, stood in the authorities’ way to turn the city into a modern economic hotspot.

In 2010 therefore, Kashgar was declared a SEZ under the “pairing assistance” of the mega cities Shenzhen and Guangzhou. Shenzhen was the first city that


\textsuperscript{243} Ibid, 9-10.
successfully became prosperous after being turned into a SEZ and has been a role model for numerous pursuing SEZs.\textsuperscript{244} The term “pairing assistance” refers to a sort of surveillance control, with regards to the frequent Uyghur riots. As part of the plan, suburban Kashgar is undergoing massive transformations, due to the construction of Business and Industrial Quarters, performed by large companies to attract investors. Real Estate prices began to rise, creating unaffordable conditions for the poorer Uyghur population.\textsuperscript{245} In order to provide adequate accommodation for Han Chinese and foreign business partners, new residential districts are emerging around Kashgar, planned and constructed by company giants from Shenzhen, Shanghai and Guangzhou. The South Xinjiang Venice Villa District for instance, is a guarded suburban quarter, inhabited by wealthy Hans. Many construction projects fail. Districts like the 1.5 Million sqm large Guangzhou New City, or the Shenzhen New City, remain ghost cities up until now. Giant shopping malls, like the Springtime Shopping Mall which was officially opened in 2012, stay empty. According to the Chinese authorities, Uyghur uprisings scare away the settlers.\textsuperscript{246} In the course of the government’s commercialization policy, the huge theme park of Apandiland was built near Kashgar. Afanti, a role model from an ancient Uyghur fable serves as a mascot. The Uyghur figure walking through all the miniature models of China’s tourist attractions, symbolizes the alleged harmonious society of Xinjiang to promote the peaceful relationship between Uyghurs and Han Chinese.\textsuperscript{247}

Part of the Belt and Road Initiative publicity are Kashgar’s frequently held commodity fairs, where mainly large firms from the Chinese east coast promote their infrastructural projects to raise awareness about Kashgar’s economic development measures, and to attract investors and visitors. Some OBOR states, like Pakistan and the neighboring Islamic Republics, equally participate, seizing their opportunity to become part of Kashgar’s modernization. The 9\textsuperscript{th} Kashgar Central and South Asia Economic Trade & Commodity Fair in 2013, also incorporated the first China-Kashgar-Guangzhou Commodity Fair. There, investors presented their building models of the future Kashi Free Trade Zone, including the 268 meters high twin skyscrapers, labelled “Development Twin Towers”. The towers will

\textsuperscript{244} Chou; Ding, 2015, 117.
\textsuperscript{247} McLeod, Calum, China hopes trade, tourism can calm Silk Road terror. USA Today, 26.08.14, retrieved from: https://www.usatoday.com/story/news/world/2014/08/26/china-silk-road-muslim-uighur/13314961/ (30.12.17).
provide a large-scale international duty-free shopping area for luxury goods, numerous offices, as well as the Kashgar Hilton Hotel.  

8.3 A Comparison

The New Silk Road has different impacts on the two cities, due to their divergent development of their cityscapes. Kashgar is more affected by the transformations, as there is more leeway, while Urumqi in comparison is less concerned. Urumqi already underwent extensive modifications in the past, to attack Han Chinese settlers, being Beijing’s benchmark in the industrialized northern Xinjiang. Now, the region’s capital is transformed into yet a larger trading junction, reaching out internationally. Urumqi is already surrounded by economic zones and industrial parks and cooperating with its productive neighboring cities. Throughout the Belt and Road Initiative, the government is upgrading Urumqi’s public transport system, the international railway station as well as the highway and railway system. Despite the continuous ethnic conflict, Urumqi represents a proper example of the CCP’s successful implementation of the Silk Road 2.0.

Kashgar on the other hand, is a different story. As a desert city, Kashgar emerged under more challenging preconditions, with a small supply of natural resources. The once golden past of the Silk Road node, is reflected in the traditional buildings of the Old City. Kashgar’s remoteness and the populations historical affinity, prevented the city from major “transformation” projects. The announcement of Kashgar SEZ in 2010 started a new era. Further on the OBOR Project should now bring extensive industrialization and infrastructure. However, many of the different undertakings remain unsuccessful. Empty streets and buildings mirror the resentful attitude of local residents. The CPEC, as well as other extended road and railroad connections are expected to additionally attract foreign investors.

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248 Rippa, Alessandro, Kashgar on the Move. The Diplomat, 14.10.13, retrieved from: https://thediplomat.com/2013/10/kashgar-on-the-move/ (09.01.18).
The New Silk Road represents the climax of previous measures to enhance economic development, not only in XUAR, but in the entire Central Asian region. It turns Xinjiang’s development into an international matter, involving foreign investors and international organizations that finance and construct infrastructure. Xinjiang’s future international railway and road access is likely to bring economic benefit to the region, as it boosts the local infrastructural development and creates numerous jobs, regardless of ethnicity. Beijing no longer perceives Xinjiang as a western periphery, but as a western economic gate with huge commercial potential that can finally be exploited.

The slogan of the Silk Road was chosen carefully, representing the golden times of ancient cities along the trade route, not only Kashgar and Urumqi, but cities everywhere in Central Asia. This PR anticipates China’s western vicinity to join the undertaking and revive a new identity, that was restrained by European imperialism and Russian domination in the region. The term Silk Road furthermore diminishes accusations from the international community concerning the Chinese suppression of the Uyghur culture and Xinjiang’s sinofication by conveying the impression of a revival of history.

The involvement of different parties and overarching international enterprises increase the probability of a successful realization. First, because the participation of neighboring countries reduces the number of antagonists as the project equals the national interest of these states, and secondly, the new focus on economic cooperation stabilizes the region and curtails armed conflicts. However, this capitalist’s peace approach is accompanied by extensive sinofication through “Chinese FDI” and Chinese exploitation of Xinjiang’s comparative advantages. China’s spread as a regional hegemon may hide effects in the long-run. The modern infrastructure inevitably creates a new connectivity within the region and raises living standards as well as its attractiveness for investors. The important question is who’s living standards are being raised and who is attracted. Infrastructure usually brings development if the local population agrees on and is committed to it.

The infrastructural “besiegement” against the will of the Uyghurs is reminiscent of a colonialization. From a western perspective, improving road and schools, and
appealing to foreign investors makes good economic sense. However, the manner in which the development is achieved, without respect to the local population, their traditions and self-determination, and without the respect to the UNESCO calls for World Heritage Violations, or at least missing or ill-conducted dialogues, concerning the right to self-determination, rarely leads to good results.

Infrastructure without the agreement of the locals can get beyond the control of the state, enabling underground and separatist groups, drug trafficking and smuggling to spread or get organized. Thus, infrastructural development not necessarily generates security. Xinjiang’s new international connectivity through the Silk Road also bears potential risks for the Chinese state and the stability of the region.

The Belt and Road Initiative is already being implemented regardless to cultural heritage sites, the traditional life of different ethnic minorities along the infrastructural routes, and destroys numerous small, yet important, trading business along the conventional road system. Domestic resistance against the project is counteracted with sinification and, at least in XUAR, does not threaten OBOR in the mere future. The greatest menace emanates from unpredictable events like an economic crisis or the sudden outbreak of a war. Considering the current situation of Uyghurs in Xinjiang, and the extensive transformation of cityscapes in places like Kashgar, as well as the creation of transnational roads like the revitalized Karakoram Highway, Beijing requires the support as well as the human capital of the Uyghur minority. Firstly, because they know the Central Asian states better than the people from Beijing and secondly because they are particularly interested in preserving peace in their land.
The implication of the New Silk Road across Eurasia and its significance for Central Asia and the West of China is inevitable. The numerous completed and ongoing projects merging everywhere and linking Europe, Asia and Africa, make the OBOR a public symbol for the enhancement of economic, foreign political, social and cultural cooperation across continents.

Xinjiang has been regarded the periphery of both the Muslim culture of Central Asia in the West and the rising Chinese superpower. Since the beginning of the Silk Road Project, Xinjiang has been given a new role and has been the center of attention. The province is unequivocally important for a productive foreign policy and represents a key area for Beijing’s foreign policy in Central Asia. The Central Government is well aware of Xinjiang’s potential bridging function between China and Europe or Central Asia respectively and the role it can play in the regional stability in general. Through the Belt and Road Initiative Xinjiang’s regional stability and prosperity suddenly becomes a Chinese national interest.

The first and central research question investigated to what extent Xinjiang contributes to its implementation and in reverse how the New Silk Road contributes to Xinjiang’s development. A glimpse into regional history and the years before 2013, when OBOR was launched, gives an impression of what has changed.

Until recently, Xinjiang represented a barrier between Central Asia and the rest of China; its landlockedness impaired the region’s economic prosperity far away from the booming Chinese port cities attracting investors. The economic prospect was defined by the Uyghur traditional nomadic lifestyle that derives from Xinjiang’s natural conditions, making them wandering farmers. In the absence of any significant economic activity, Xinjiang became the fringe of both worlds.

After the Chinese state managed to internalize this Uyghur dominated region, it was used as a mere defense facility for the substantial territory of the empire, creating social discontent and independence aspirations among the locals. Since the fall of the Soviet Union, economic exchange and newly acquainted mineral resources have become the regional priority. However, the industrialization and allocation of resources has proved irreconcilable with the Uyghur culture. Separatism, demanding the foundation of an independent East Turkestan Republic constitutes
an age-old, ongoing dispute between Beijing and the Uyghurs as well as other superpowers who supported the establishment of a client state in China. Since 9/11, the US has replaced the term separatism with terrorism and Beijing developed a Counter Terrorism Strategy (CTS), that is being implemented among the members of the SCO. Today, Uyghur terrorism, that is especially active in southern Xinjiang, and countermeasures of the Central Government inflate each other, generating regional distrust between immigrated Han Chinese and Uyghur residents. By promoting infrastructural development, the New Silk Road kills many birds with one stone: the gradual assimilation of Uyghurs, Xinjiang’s economic prospects, and subsequently the thorough market opening towards Central Asia.

Central Asia represents a key region for economic exchange between China and Europe, requiring stability and infrastructural development to be able to fulfill its function and contribute to the Chinese economic expansion.

The New Silk Road continues previous projects of modernization in order to enhance economic development and to gain influence in Central and South Asia. The two important cities in the region, Urumqi and Kashgar, as well as Khorgos Dry port, are all being subjected to massive infrastructural changes. Khorgos is a whole new city based on modern concepts and technology, that is being built into solitude whereas Kashgar’s old town architecture suffers enormously from demolition of world heritage buildings that are being replaced by skyscrapers and shopping malls, to attract foreign investors.

Roads, highways as train tracks that are being built across Xinjiang linking regional cities as well as connecting the province to its Central Asian neighbor states, such as the Karakoram Highway or the Western Europe – Western China Highway simplify the transportation of cargo and passengers. Oil and gas pipelines transporting fuel from Kazakhstan, Iran and also Xinjiang to cities on the Chinese east coast shell improve and guarantee the supply of mineral resources.

Exhibition Centers in Kashgar and Urumqi are expected to promote cultural exchange and enhance regional cooperation. Skilled Han Chinese people are encouraged to take part in resettlement programs and move to Xinjiang and contribute to the local economy with their expertise.

Besides infrastructural development OBOR is supposed to improve security measures within Xinjiang and in the border regions with Central Asia, especially Pakistan and Afghanistan. The high presence of radical Islamic groups like the Taliban, but also the ETIM of the Uyghurs depicts a potential risk to the PRC. A growing Uyghur separatist initiative with radical perspectives would jeopardize the CCP and impair the development of the region. China strategically tries to implement peace and stability in the whole region through the establishment of economic facilities for international – though mainly Chinese – companies.
Likewise, Beijing brings infrastructure whenever needed in order to create economic favorable conditions and enhance development. These measures give the Chinese state the chance to determine the direction of development according to the state’s national interests. Central Asia’s security is therefore of vital importance to the Chinese state. Whether or not China’s security strategy proves to be effective, remains to be seen in the mere future and also strongly depends on the political stability of each individual state.

A peaceful Chinese society and peaceful cooperation between China and its partly instable periphery is a prerequisite for security within Xinjiang. Peace is currently being achieved through creating economic dependence on China. Kazakhstan or Kyrgyzstan make commitments to their economic freedom in particular, by counting on Chinese investments. In that way the Chinese state and its security is less dependent on the regime changes or state stability of their trading partners, and unlike the US and the USSR, does not interfere in the domestic policies and sovereignty of those states, let alone creating puppet states. Economic interests are realized in a peaceful colonialization through the backdoor. As a new world power China differs from the conventional rivals from the Cold War period, the US and Russia and depicts a new hope, that has so far refrained from interfering in domestic politics. The Uyghurs need to be convinced to adapt the modern Chinese lifestyle, which turned out to be a greater challenge than convincing other states, naturally because Xinjiang is Chinese territory and does not have its own government. Xinjiang is the region were average people are affected by changes inflicted by the Chinese state. In other countries, the state has already done that job for the civilians and their governments can be blamed for a transition of lifestyle.

Beijing also intends to achieve political conformity within Xinjiang and a sinofication of the Uyghur lifestyle, who remain a potential threat. The Silk Road constitutes a new way of reaching cultural assimilation among the people of Xinjiang namely through infrastructural development. However, these measures turn out counterproductive in many cases, as for instance in Kashgar, where Uyghurs strive against modernization. Increased social unrest and more intensive settlement of Han Chinese are the fallout.

Throughout history, there have been numerous cases of the oppression of indigenous people, from the Native Americans and the Scramble for Africa downwards to the Palestinians in Israel. And although the first two examples officially fall under the period of colonialism, the latter can be regarded as a form of modern colonialism. Despite the fact, that Xinjiang is legitimate Chinese territory, the Uyghur oppression is proceeding similar, though less extreme, to the American and British dispensation of Israel. Referring to China’s expansion policy – including OBOR – as modern imperialism seems indeed appropriate. Chinese imperialism obtains influence through the establishment of peaceful capitalism in
Central Asia. The Chinese colonialization of Xinjiang serves the further purpose of gaining new territory for Han Chinese people, the majority of which resides in mega cities on the east coast that are clustered full. Convincing Xinjiang to submit to Beijing’s influence is more challenging than persuading economic weak countries like Pakistan or Kyrgyzstan.

Nevertheless, from a social perspective, infrastructure unconsciously unifies societies. Towns and cities are better connected, hospitals and schools easier accessible. Electricity raises living standards, even inadvertently, and creates information channels. New industrial parks generate new job opportunities. In contrast to violent methods that have been applied to subjugate other indigenous people in the past, modern China prefers subtle and “peaceful” adjustments. Regularly, modern societies seeking sovereignty and therefore international acknowledgement, benefit from development in association with economic prosperity. If the development is forced upon them from outside, the society in question is subjected to instability and discontent. In order to satisfy the Uyghurs, Beijing will have to generate better working and living conditions including the protection of their cultural freedom, towards the Han Chinese settlers.

The question of whether the implementation of the OBOR Project in general remains a positive or a negative affair, equals the question of whether China’s rise and increasing influence in the world are preferable. The issue encompasses so many levels and thus so many different perspectives, that the answer strongly depends on the angle. Certainly, the New Silk Road assists China with enforcing its national interest. That includes three main components: national security, realization of economic interests in Central Asia, Africa and Europe and, subsequently social and political stability.

From the perspective of Xinjiang – and therefore the Uyghurs – the New Silk Road implies great changes of the status quo and economic progress in a way that is rejected by the Uyghur lifestyle. It harms the persistence of the Uyghur culture and thus remains an act against Xinjiang’s domestic interests. On the other hand, the Silk Road Economic Belt and Xinjiang as one of the key regions, promotes connectivity and economic cooperation across the Eurasian hemisphere, supporting international peace by creating economic interdependence.

Around the world, poor countries with a resource rich environment, serve more powerful countries, as a source of capital. Wrong policies and dependency constrain them to focus on the production end of the commodity chain, relinquishing the further processing to foreign economic powers. Xinjiang’s comparative advantage lies in energy resources and agriculture, thus the primary economic sector. Through the creation of the Silk Road Economic Belt, Xinjiang’s economic capacity is being extended to the second and tertiary sector: Newly established SEZs in Khorgos and
Kashgar attract companies, improved infrastructure and better management techniques at border crossings increase im- and export rates from the Central Asian states and more intensive industrialization boosts the production of energy. The long-term effects yet remain to be seen.
11 Appendix

11.1 List of Abbreviations

ADB Asian Development Bank
AIIB Asian Infrastructure Investment Bank
ASEAN Association of South East Asian Nations
BRF Belt and Road Forum
BRT Bus Rapid Transport System
CAREC Central Asia Regional Economic Cooperation Program
CCP Chinese Communist Party
CDB China Development Bank
CNPC China National Petroleum Corporation
CPEC China-Pakistan Economic Corridor
CTS Counter Terrorism Structure
EBRD European Bank for Reconstruction and Development
ETDZ Economic and Technological Development Zones
ETIM East Turkestan Islamic Movement
FDI Foreign Direct Investment
IDB Islamic Development Bank
IMF International Monetary Fund
KKH Karakoram High Way
MERICS Mercator Institute for China Studies
NDRC National Develop and Reform Commission
NPC National People’s Congress
NUML National University of Modern Languages
OBOR One Belt One Road
PLA People’s Liberation Army
PRC People’s Republic of China
SCO Shanghai Cooperation Organization
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>SEZ</td>
<td>Special Economic Zone</td>
</tr>
<tr>
<td>TARCECA</td>
<td>Transport Dialogue and Interoperability between the EU and its Neighboring Countries &amp; Central Asian Countries</td>
</tr>
<tr>
<td>UHDZ</td>
<td>Urumqi High Development Zone</td>
</tr>
<tr>
<td>UMEDA</td>
<td>Urumqi Metropolitan Economic Development Area</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Program</td>
</tr>
<tr>
<td>WDP</td>
<td>Western Development Program</td>
</tr>
<tr>
<td>WUC</td>
<td>World Uyghur Congress</td>
</tr>
<tr>
<td>XPCC</td>
<td>Xinjiang Production and Construction Corps</td>
</tr>
<tr>
<td>XUAR</td>
<td>Xinjiang Uyghur Autonomous Region</td>
</tr>
</tbody>
</table>
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