



A bridge too far The 'Golden Bridge on Silk Road' an installation art that was set up in Beijing ahead of the Belt and Road Forum in mid-May. China is promoting its multibillion-dollar infrastructure project as the new "golden age of globalisation"
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STATES OF MATTER

Tightening the global belt

China's ambitious Belt and Road Initiative signals a new era of imperial ambition



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Centuries of history are invoked in China's "Belt and Road Initiative" (BRI) — by any measure an audacious effort at creating a new strategic architecture in the Eurasian land mass. Official China has referred back to its age of imperial glory, when the Silk Route to Europe was an artery of flourishing trade. Those of less rosy outlook have flagged the planned Chinese ingress into some of the most sensitive parts of the "World Island" as a serious threat. The eagerness with which some of China's neighbours have embraced the BRI bespeaks a phase of transformation in the global balance of power. How soon a stable new balance will emerge is an open question.

Seeming coincidences, in the longer reading, could take on a deep historical significance. In 1890, the US Census Bureau recorded the closing of the "American frontier", which had allowed for an expansion of human settlement with only minor irritants such as the recalcitrance of native populations.

In a technical sense, the US Census Bureau defined an open frontier as a stretch of territory with settlement density of less than two persons to a square mile. It was a standard that allowed much room for intensification of settlement. Yet the closing of the western frontier was a key moment in US history, with repercussions that stretched over decades and included two World Wars.

It was in 1890 again, that Alfred Thayer Mahan, an officer in the US navy, published an extended treatise titled *The Influence of Sea Power in History, 1660-1783*. This tract of his retains an influence among naval strategists to this day, though its basic thesis would seem rather like a truism: that control of seaborne commerce and the ability to project naval power in contested territories made the difference between victory and defeat in all major power confrontations since the 17th century.

For a country that had been expanding into limitless frontiers of land, Mahan's theoretical exercise was an urgent call to a different kind of imperialist exertion. It was an enterprise

the US soon put its heart to, taking on the declining imperial might of Spain in the Caribbean and the Pacific.

The world power league had a new member, but its two main arbiters felt little immediate threat. Britain and France had advantages that would take many more years to neutralise, particularly in their control over the switchboards — the money and commodity bourses — that directed global trade flows.

The years that followed saw a scaling-up and qualitative transformation of the armaments programme of all major powers. The British remained far ahead in the game, operating on the strategic philosophy of deploying more seaborne firepower and capacity as any two rivals put together. Russia and France were seen in the late 19th century as the main rivals, but following the entente cordiale of 1905, the focus shifted to Germany and the burgeoning naval power of distant Japan.

Sea power was the means of creating spaces large enough for the expansion of capital. In the early 20th century, with the division of Africa complete and the American frontier closed, global capital found itself constricted for space. The obvious answer was to intensify the control of land spaces.

Britain pushed aggressively for mastery over the land mass of the European and Asian continents. "World history", the British geographer and imperial administrator Halford John Mackinder pronounced in 1904, is "a story of constant conflict between land and sea powers". With the world already divided among European powers, pre-eminence in future years, argued Mackinder, would be reserved for whoever prevailed in "the competition over the old territories". Pointing the way forward, Mackinder observed: "Who rules East Europe commands the Heartland; Who rules the Heartland commands the World-Island; Who rules the World-Island

commands the World".

These were the territorial jealousies that drove Britain, France and Russia on one side into a brutal war with the three multinational empires of Germany, Austria-Hungary and Turkey. The military victory settled nothing, since in their enervated economic state, Britain and France even in combination proved incapable of knitting together a new hegemony. That had to wait another World War, and the shift of the bourses of global capital to the other bank of the Atlantic.

Sustaining the new hegemonic order was, in its early years, about facing down the challenge from the Soviet bloc, which had a natural constituency among newly independent nations. That ideological contest was won, but only with the US transformed from creditor to the world, to its biggest debtor. A quarter century of globalisation followed,

with the US signing out IOUs to the rest of the world. Today, the US national debt stands at \$20 trillion, of which roughly \$7 trillion is owed to other countries. China alone holds almost half the US foreign debt.

From the early years of dollar accumulation in foreign bank vaults, economic theorists have advocated their recycling, to boost the flagging momentum of the global economy. The US has balked, citing an inflationary threat and retaining the power of choking the flow of dollars. That threat now no longer works, since the global dollar accumulation has crossed a critical threshold.

Globalisation with Chinese characteristics promises to be just as reckless with the environment and just as unmindful of equity as the prior phase under US overlordship. But a new dynamic of strategic competition has been unleashed and its global impact will be profound.

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