

The Influence of "The Belt and Road Initiative" on the Economic Development of Northeast Asia

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Abstract

At present, economic growth is slowing down in China, and the side effects of rapid development are gradually emerging. The "The Belt and Road Initiative" is proposed, it conforms to the current economic situation and is in conformity with China's national conditions, it can not only strengthen inter-regional coordination and cooperation, revitalize the economy, consume excess capacity, but also drive capacity output with capital output, and reverse the China's international balance receipts and payment, and promote international status. At present, the research on the "The Belt and Road" is mostly directed at the landlocked countries of Asia and Europe, and there are few studies on the Northeast Asia. "The Belt and Road Initiative" only includes Mongolia and Russia in Northeast Asia; Northeast Asia cannot be a strategic focus due to many reasons, the current cooperation plight has caused countries to lose their past enthusiasm, however, it is undeniable that Northeast Asia still has need to continue cooperation, "The Belt and Road Initiative" is a new start, after the integration of Northeast Asia, it will produce a great influence on the economy development of Northeast Asia.

Keywords

"The Belt and Road Initiative", Northeast Asia, economic development.

1. Introduction

For a long time, although economic exchanges among Northeast Asian countries have developed rapidly, regional cooperation has been limited by historical questions and real geopolitical environment, and development is slow. When discussing the "The Belt and Road Initiative" strategic concept, the academic circles has different views on whether "The Belt and Road" covers Northeast Asia, whether it is to exclude Northeast Asia from the "The Belt and Road Initiative", or takes Northeast Asia as a strategic link between the Silk Road Economic Belt and the Maritime Silk Road, the spirit and principles of the "The Belt and Road Initiative" construction are applicable to Northeast Asia. Therefore, it is necessary to analyze the influence of the "The Belt and Road Initiative" on economic development in Northeast Asia.

2. "The Belt and Road Initiative" and Economic Development in Northeast Asia

Since the international financial crisis in 2008, the global economic recovery is weak, geopolitics is complicated, and China's economic development has been severely affected by the external environment. Under this condition, the Chinese government has proposed the "the Belt and Road Initiative". After a period of discussion, the content of the initiative became clearer. March 27, 2015, China's relevant government agencies issued the "Promote the construction of the Silk Road Economic Belt and the vision and action of the maritime Silk Road in twenty-first Century" (hereinafter referred to as "Vision and Action"). "The Belt and Road Initiative" is aimed at promoting the orderly and free flow of economic factors, efficient allocation of resources and free market integration, and committed to developing a wider, higher level and deeper level regional cooperation to create an open, inclusive, balanced regional economic cooperation framework; its core philosophy is "peaceful cooperation, openness and tolerance, mutual learning, mutual benefit and win-win".

The belt in the “the Belt and Road” mainly consists of three parts, namely the Northern Silk Road Economic Belt, the China-Pakistan Economic Corridor and the Bangladesh-China-Myanmar Economic Corridor; the “One Road” mainly refers to the Maritime Silk Road. “the Belt and Road” covers almost all countries on the Eurasian continent, the emphasis are 17 countries, including Mongolia, Russia, Kazakhstan, India, and Indonesia, and countries along the Belt and Road, including more than 60 countries along the route. Therefore, “the Belt and Road” is the world's longest and most promising economic belt. It originated in China and penetrated all parts of Asia and even Europe, connect the Asia-Pacific economic circle and the European economic circle. The total population of countries and regions along the route is about 44 billion, account for 63% of the global population, there is a total economic output of about 21 trillion US dollars, account for 29% of the global economy. Moreover, the neighboring countries are mainly emerging economies and developing countries, and the economy is still generally in the stage of development, mutually beneficial cooperation has great potential.

Although “the Belt and Road” is a development strategy covering China's overall situation, many scholars' research has excluded Northeast Asia, especially the Korean Peninsula from “the Belt and Road”, ignore the importance of Northeast Asia in “the Belt and Road”. There are also studies on the value of regional cooperation in Northeast Asia from “the Belt and Road”, highlight the importance of regional economic cooperation in Northeast Asia, and then emphasize the realistic basis and possibility of “the Belt and Road” to promote regional cooperation in Northeast Asia [3]. The author thinkess that the geopolitics in Northeast Asia is complex and the regional cooperation process is slow, studying the status of regional economic cooperation in Northeast Asia makes it easy to grasp the key point of the “The Belt and Road Initiative” in Northeast Asia, and then provide new ideas for regional economic development in Northeast Asia.

3. The Status of Economic Development in Northeast Asia

For a long time, the rapid development of economic exchanges among China, Japan and Korea has formed a partial close economic relationship in Northeast Asia. However, due to historical problems in the region, territorial and maritime rights disputes, and the DPRK nuclear issue, factors the improvement of bilateral relations and regional cooperation have been blocked. Despite this, there are bright spots in economic cooperation in the region.

3.1 The slow progress of the Chinese-Japanese-Korea FTA negotiation process and the achievement of the China-Korea FTA

China, Japan and Korea are the three largest economies in Northeast Asia. Since the 1990s, with the acceleration of the globalization of the world economy and the integration of regional economies, the economic and trade exchanges among the three major economies, China, Japan and Korea have become increasingly close, based on improving the overall economic strength and overall competitiveness of the region. The thinking of the China-Japan-Korea FTA is also beginning to sprout [4].

A free trade agreement (FTA), usually refers to the signing of free trade agreements between two or more countries or regions, eliminate tariff and non-tariff barriers of most goods, and cancel most market access restrictions, open investment, thereby promoting the free flow of production factors such as commodities, services and capital, achieve complementary advantages and promote common development. According to data from the World Bank and the National Bureau of Statistics of China, China's GDP in 2015 was 10.87 trillion US dollars, while Japan and South Korea's GDP were 4.12 trillion US dollars and 1.38 trillion US dollars, respectively. At the same time, China's per capita gross national income is 14,160 US dollars, on the contrary, the per capita gross national income of Japan and South Korea is 38,870 US dollars and 34,700 US dollars, respectively. The gross national income of the three countries reflects the economies of the three countries. The differences in development levels, economic complementarity, and economic dependence continue to deepen, Therefore, the China-Japan-Korea FTA negotiations are feasible.

On November 20, 2012, China, Japan and South Korea announced the launch of the China-Japan-Korea FTA negotiations during the series of Southeast Asian leaders' meetings in Phnom Penh, Cambodia. Since the initiation of the China-Japan-Korea FTA negotiations, the three parties have started consultations on goods trade, service trade, investment negotiations, etc., and reached consensus on the basic framework of the tax reduction model for goods trade. However, due to the contradiction of the historical cognition and the actual interests of the three countries, the territorial disputes in the territorial sea, and the tense confrontation on the Korean peninsula, the negotiation process of the FTA negotiations among China, Japan and Korea has been slow [5].

Compared with the slow process of the China-Japan-Korea FTA negotiations, the China-Korea FTA negotiations are progressing smoothly. In November 2014, China and Korea announced the conclusion of the substantive negotiations between China and South Korea's FTA. On June 1, 2015, China and South Korea formally signed a free trade agreement. The China-South Korea FTA is the largest high-level trade zone involving the country's trade volume by far. It is the link between China's "the Belt and Road" strategy and South Korea's "Eurasia Initiative". It is also a shortcut for South Korea to integrate into the "the Belt and Road", and also for South Korea. The negotiation of the China-South Korea FTA has provided a valuable experience and substantial basis for the China-Japan-Korea FTA negotiations and the Northeast Asia regional economic cooperation, and promoted the multilateral economic cooperation process through bilateral negotiations, thereby promoting the pace of regional economic integration in Northeast Asia.

3.2 The development cooperation in the Greater Tumen River region is slow.

The Greater Tumen River region is located in the border area of China, Russia, and North Korea, which is located at the intersection of China, North Korea and Russia. It is located in the core area of Northeast Asia and. The Greater Tumen River region is a strategic thrust for China to ensure the export of the Sea of Japan in the Northeast, and is an important channel for Russia to export rich resources from the Far East to South Korea, Japan and China, or whether North Korea can use the geographical advantages of the Luoxian region to obtain funds from neighboring countries. At the same time, the Greater Tumen River region has rich underground resources, relatively sound industrial base and cheap labor. The economic structure of neighboring countries is complementary. It can be seen that the cooperation and development of Datujiang River has regional economic advantages and realistic feasibility.

Countries along the Greater Tumen River have different attitudes toward regional development, or adopt a wait-and-see attitude, or have concerns, and their actions are slow. At the same time, economic systems, economic development plans, and regional development imbalances have become important constraints. All of the above reasons have led to a slow development cooperation in the Greater Tumen River area [6]. After "the Belt and Road Initiative", cooperation with Central Asia, Southeast Asia and other regions covered the energy resources sector; while the Greater Tumen River region development cooperation also involved countries such as Russia, Mongolia, and other mineral resources such as oil, natural gas and coal. Cooperation, so the pressure from "the Belt and Road Initiative" will force the countries around the Greater Tumen River to consider their common interests and reach an early development cooperation.

3.3 The construction of the China-Russia-Mongolia economic corridor has broad prospects

On September 11, 2014, General Secretary Xi Jinping proposed in the first China-Russia summit to link China's "the Belt and Road Initiative" with Russia's cross-Eurasian railway and Mongolian grassland development strategy to create a Sino-Russian economic corridor. The leaders of Russia and Mongolia responded positively. China, Russia and Mongolia are strategic partners and carry out regional economic cooperation in the fields of railway transportation, logistics, agricultural products and mineral products, trade facilitation and infrastructure, they have a good foundation and have great potential for comprehensive cooperation [7].

Russia's Eastern Siberia and the Far East have a total area of 10.3 million square kilometers, account for 60% of the country's land area, they are rich in coal, oil, natural gas, hydropower and other mineral

resources and forest resources. The neighboring Mongolia is rich in mineral resources and has the world's largest copper mines and coal mines, but large-scale exploration has not yet launched and development. Based on the development of energy projects, the China-Russia Economic Corridor can expand China's resources and energy import channels, ease the shortage of strategic resources and energy, and open stable, efficient and safe energy channels. On the other hand, it is beneficial to the resources of Russia and Mongolia. Energy opens up a vast market, drives its resource exploration and development, and transforms resource advantages into economic advantages and development advantages.

4. Promote the Economic Development in Northeast Asia under "the Belt and Road Initiative "

Considering the coincidence of the Northeast Asia region and "the Belt and Road" region and the realistic development of economic cooperation in Northeast Asia and the huge potential development space, in the future, we should base on the unique geographical location of Northeast China and give full play to geopolitical economic advantages and effective use. Japan and South Korea's capital technology, strengthen cooperation with Russia and Mongolia in resources and minerals, and connect the "the Belt and Road Initiative" and Northeast Asia cooperation.

First, give full play to the regional advantages of Northeast China and deepen regional economic cooperation in Northeast Asia. "Vision and Action" emphasizes positioning the three northeastern provinces as an important window for China to open to the north. How to fully mobilize and stimulate the enthusiasm of the Northeast region to participate in regional economic cooperation in Northeast Asia, use regional advantages to develop economic and trade cooperation, and share benefits and share with neighboring countries. Risk is an important issue "the Belt and Road Initiative" face. Under the new normal situation of the domestic economy, China's northeastern region should take "the Belt and Road Initiative" as an opportunity to play the regional advantages of China Unicom's Northeast Asia. While promoting the revitalization of the old industrial bases in Northeast China, it will be connected with infrastructure, finance and trade, and smooth trade. Policy communication creates common ground for the people, promotes cooperation and tolerance in countries around Northeast Asia, seeks common ground while reserving differences, and deepens regional economic cooperation in Northeast Asia.

Secondly, taking the "AIIB" as an opportunity, we will gradually build and improve the inter-connected infrastructure in Northeast Asia. The implementation of the "the Belt and Road Initiative" begins with the establishment of the "AIIB", based on the establishment of a transportation hub and interconnection, and "the Belt and Road Initiative" begins to run. Jilin Siping City, located at the junction of Jilin, Liaoning and Inner Mongolia, will build an intelligent highway port. This intelligent logistics network project is important for the integration of logistics resources and the development of transnational trade in Northeast Asia, while collecting and transporting raw materials and products in Northeast China. In addition, the establishment of the Greater Tumen River International Passage through China, Russia, Mongolia and the DPRK provides a convenient route for regional economic cooperation in Northeast Asia, and the "AIIB" provide a necessary source of funds for the construction of important infrastructure such as transportation hubs, and a solid foundation. Driven by the "the Belt and Road Initiative", Northeast Asia will build a network of Northeast Asia-Pacific Bridges, open up the channels of the Tumen River, improve the construction of the transportation hub, and lead and promote the construction of public goods and infrastructure in Northeast Asia. Funding support for financing platforms such as the AIIB and the BRICS Development Bank.

Once again, unblock the economic corridor and create an FTA to promote overall development with local cooperation. The economic corridor relies on international transportation trunks to gather productivity, develop an international channel economy, and develop resources, adjust and cultivate industrial structures and distribute cross-regional production to countries and regions along the corridor. As the North Line of the "the Belt and Road Initiative", the China-Russia Economic

Corridor is also the foundation of "the Belt and Road Initiative" in Northeast Asia and ranks first among the six economic corridors.

Against the backdrop of slow progress in regional economic cooperation in Northeast Asia, the Chinese government has proposed "the Belt and Road Initiative", the China-Japan-Korea FTA and provides a new platform for cooperation among China, Japan and South Korea, and carry out cooperation in the fields of finance, infrastructure construction, interconnection and intercommunication, open up the meridians constructed by the FTA, enhance political mutual trust on the basis of economic co-prosperity, lay the foundation for bilateral and multilateral trade negotiations, and promote regional economic integration in Northeast Asia [8]].

5. Conclusion

In summary, "the Belt and Road Initiative" is an important way for China to try to build a new international economic and political order and promote the common development of neighboring countries, and provide strategic support and important impetus for regional economic cooperation in Northeast Asia. On the one hand, Northeast Asia, as a region with high economic and trade exchanges and dependence in China's surrounding areas, is a model for further development and cooperation among countries along the "the Belt and Road Initiative"; on the other hand, "the Belt and Road Initiative" aims to create an open and inclusive international economic cooperation network, regional cooperation in Northeast Asia is in line with its core concept. Northeast Asia is the focus of the world's political situation and the conflicts of interests of all parties. Grasping the opportunities of "the Belt and Road Initiative" development is conducive to the sharing of regional cooperation and development results among countries such as China, Japan and South Korea, thereby diluting the impact of historical issues and political conflicts, promote regional economic integration and seek regional multilateral cooperation in the era of economic globalization.

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