

# New Anchors for U.S. Egypt Relations

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By Brian Katulis and Mokhtar Awad



In 2014 and 2015, the fight against the Islamic State of Iraq and al-Sham, or ISIS, and the nuclear negotiations with Iran have dominated U.S. policy toward the Middle East. But Egypt, as the most populous Arab country, remains a central test in the broader battle to achieve stability and progress in the region. More than four years after the start of the Arab uprisings, Egypt continues to face many of the same economic, social, political, and security challenges that sparked the initial protests.

The United States and Egypt should try to work together to build a set of new anchors for progress and stability at this turbulent time of transition in the Middle East. The next year and a half offers potential opportunities, but it will require Egypt and the United States to learn some lessons from the past four years and to look to the future. The two countries need to move beyond the old way of doing business—a heavy focus on conventional military cooperation—and look to a future where the bilateral relationship includes expanded economic cooperation and a new, more constructive diplomatic and political dialogue.

Doing so will be difficult for the United States absent a major course correction by the new Egyptian government in its political transition. Efforts to enhance cooperation between the two countries will likely remain limited, and relations are likely to be strained as long as Egypt continues down its current path of restrictions on basic freedoms and political pluralism. Given the uncertainty of the moment, the United States should prepare for a wide range of possible scenarios emerging in Egypt in the next year. But it should make a determined effort to work with Egypt to build new anchors for the relationship over the next four years.

Egypt remains in the midst of unfinished political and economic transitions. Multiple waves of protests, leadership changes, and crackdowns have traumatized Egyptians. The overall political climate in Egypt is a complicated mix of anxiety, tension, exhaustion, and hope that the country will achieve more progress in the

next four years than it did in the past four. In the first half of 2015, Egypt has continued to struggle with major economic and political challenges, and the security environment remains unstable.

If Egypt can build a foothold of stability and achieve economic and political progress, it has the potential to offer immense resources to the cause of regional and global stability. But the only way for Egypt to achieve long-term, sustainable security is by updating its security and economic sectors and ushering in a competitive political environment where basic liberties are protected.

In the past two years, many Egyptians' overriding focus has been security—both basic law and order and economic stability. Ongoing violence in Egypt's Sinai Peninsula, Libya's fragmentation to the west, and Syria's ongoing bloody civil war are seen as vivid examples to avoid. The rise of ISIS and the growth of extremist groups across the region have had an enormous impact on threat perceptions inside Egypt. Next to security, Egypt's daunting economic troubles are a top priority; there is a dire need to produce economic growth and create jobs.

While President Abdel Fattah al-Sisi appears to enjoy broad political support from an exhausted population, important segments of Egyptian society have grave concerns about constraints on basic freedoms and the closure of political space. How Sisi governs and handles his country's momentous challenges will redefine what Egypt stands for as a country and its role in the region. Since the start of the 21st century, Egypt has seen its regional influence wane, held back by the sheer weight of its internal challenges and mismanagement of national assets.

The past four years have taken a serious toll on U.S.-Egyptian ties. The Egyptian view of the United States is perhaps the worst it has been in recent history. Many Egyptians think the United States backed the Muslim Brotherhood, or MB, when it was in power, and others believe the United States helped support former President Mohamed Morsi's removal to stamp out Islamists. There are widespread conspiracy theories that embrace the notion that the United States wants to undermine and weaken Egypt.

In the United States, top policymakers increasingly speak of Egypt as a problem to be managed, their attention focused on avoiding the worst-case outcomes of state collapse. Today, the United States looks less to Egypt and more to countries such as Jordan and the United Arab Emirates for regional security cooperation efforts such as the anti-ISIS coalition. Moreover, the central strategic rationale for

U.S.-Egyptian ties for the past 35 years—the role of the United States as guarantor of peace between Egypt and Israel—seems to have been undercut. Israeli and Egyptian leaders now tout that their bilateral relations are stronger with each other than with the United States, sending the message that Egypt upholds the peace treaty with Israel out of national self-interest, not because of U.S. assistance.<sup>1</sup>

At the government level, Egypt's current leaders say that they are confused by U.S. policy, which continues to hold back delivery of some weapons systems because of America's concerns about Egypt's political transition and human rights record.<sup>2</sup> The Egyptian government argues that its actions against the MB and other Islamist groups are part of Egypt's fight against the same terrorists the U.S.-led coalition against ISIS is fighting.<sup>3</sup>

The continued rift between Egypt and the United States has motivated Sisi to seek to diversify Egypt's foreign support.<sup>4</sup> Egypt remains in dire need of external assistance. It has received more financial support from Gulf Cooperation Council, or GCC, countries in the past year than it received from the United States over the past decade—at least \$20 billion from Gulf partners in the past two years compared with less than \$2 billion per year from the United States, or nearly \$15 billion in the past decade.<sup>5</sup> Sisi has traveled to parts of Africa and to Europe, Russia, and China during his first seven months in office in an effort to boost support and strengthen ties.

Yet Egypt and the United States continue to share common, long-term interests in stability and economic prosperity. To build new anchors for the relationship, Washington and Cairo should use the upcoming strategic dialogue planned for this year to foster more constructive conversations and to look to build a new framework for bilateral relations by 2020.<sup>6</sup> The countries should seek to develop forward-looking joint approaches on three fronts:

1. **Security: comprehensive security-sector modernization to meet new threats.** The evolving threat from militant terrorist groups challenging state sovereignty requires Egypt to update its overall security approach. Acknowledging that current U.S.-Egypt security cooperation was built in a different era, the two countries should use the proposed strategic dialogue to outline a program for security cooperation tailored to meet today's threats. In these future strategic dialogues, the United States should offer the prospect of delivering security assistance currently being held back, as well as the restart of joint military exercises contingent upon opening a dialogue on substantial reforms to Egypt's security institutions.

2. **Countering violent extremism: an open dialogue about pluralism and political reform.** Egypt's government has justified restrictions on basic freedoms and closing off political space in its anti-terrorism battle, but guaranteeing these basic liberties is needed to ensure political stability and the ultimate political defeat of extremists. Egypt needs a more sustainable political environment to implement massive economic reforms, and it requires an environment that allows political actors to mature and a new spectrum of voices to emerge that denies space for extremist ideologies to thrive. The limited efforts of the Obama administration to influence Egypt's political trajectory by holding back some types of assistance have not succeeded. But these issues are important to discuss, as sensitive as they are. The United States and Egypt should seek to expand people-to-people contact, educational exchanges, and more honest discussions on the need for pluralism, countering extremism, and political reform due to these issues' impact on Egypt's overall stability and the health of the bilateral relationship.
  
3. **Economy: organized international and multilateral support for Egypt's economic reform.** Egypt and the United States should work together and in closer collaboration with regional powers in the Gulf to reform Egypt's economy to spark inclusive growth and to create jobs, breaking the cycle of foreign-aid dependency and crony capitalism of the past decades. The United States has already gradually begun to reduce its economic assistance to Egypt, and as it continues this shift, it should look to other avenues, including the private sector, to help strengthen economic ties with Egypt.

\*This essay is an excerpt from a January 2015 CAP report titled: "New Anchors for U.S.-Egypt Relations: Looking to the Future and Learning from the Past 4 Years After Egypt's Revolution." It is based on the Center for American Progress' ongoing analysis of regional trends and a trip to Egypt in late October 2014 that included interviews with more than three dozen Egyptian government officials, politicians, economists, businessmen, religious leaders, civil society activists, journalists, and independent analysts.

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## Endnotes

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# U.S. Middle East Policy at a Time of Regional Fragmentation and Competition

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By Brian Katulis and Peter Juul



The ongoing fragmentation in Iraq and Syria is the latest episode in a series of events that is shaking the foundations of today's Middle East. The region has entered a fluid period of transition involving the growing power of non-state actors, including new Islamist extremist groups, at a time of increased competition for influence among the key countries in the region.

For decades, the United States has grappled with formulating a Middle East strategy that advances both its interests and its values. Under President Barack Obama, the top U.S. priorities in the Middle East have included preventing a terrorist attack on the homeland; stopping Iran from obtaining a nuclear weapon; ending the Iraq War; maintaining a secure flow of energy from the region; and trying to broker Arab-Israeli peace.

The United States has struggled to define its position since the Arab uprisings in 2011, which sparked a new era of competition among the leading powers in the region. The role and status of Islamists such as the Muslim Brotherhood, which rose to power after the uprisings in some Arab countries, have been central in this intraregional struggle. Also, violent Salafi jihadists such as the Islamic State of Iraq and al-Sham, or ISIS, seek to break down national borders and establish an Islamic state by force. Some of the key lessons that should inform U.S. policy include:

- **The 2011 Arab uprisings sparked a regional competition in a new “Middle East cold war.”** The leading countries of the Middle East and North Africa are engaged in an intense, multipolar, and multidimensional struggle for influence and power. This competition goes beyond Shia-Sunni sectarian divisions and involves traditional tools of power projection—such as military aid and economic assistance—as well as new forms of power projection, including direct investments in media outlets, non-state actors, and political movements. The region's wealthier, more politically stable states compete with each other by proxy—and in some cases, directly—on the ground in poorer and politically polarized states. This competition has taken on many features of a cold war: different sides engaged in proxy battles across the region using multiple means of influence.

- **The status of Islamist movements is central to this regional competition.** The Muslim Brotherhood's empowerment and subsequent removal from power in Egypt has been a main event and central to this regional struggle. Some states such as Qatar and Turkey back the Muslim Brotherhood, while others such as Saudi Arabia and the United Arab Emirates, or UAE, oppose it. Another new dynamic is the rise of extremist Islamist groups that have challenged the Al Qaeda movement. New political openings, as well as ongoing conflicts such as the civil war in Syria, have enabled a range of political Islamist groups, including the ultraorthodox Salafists, to affect politics in countries such as Egypt and Tunisia and fostered a strand of Islamist extremist groups that has emerged in Syria and Iraq. The regional contest over the status of political Islamists has broad reach; it has contributed to disarray within the Syrian opposition, influenced relations among different Palestinian factions, and affected competition among the various armed groups in Libya.
- **The United States remains the dominant military power in the region but lacks sufficient diplomatic, political, and economic tools to influence regional political trends.** The new and still unfolding regional dynamics limit the effectiveness of a U.S. policy that maintains a heavy reliance on traditional tools of power, such as the military and intelligence. The current U.S. policy approach lacks a nimble and effective ability to engage multiple centers of power in the region politically and economically in strategies that emphasize political pluralism and prosperity. The Obama administration's engagement with political Islamist organizations such as the Muslim Brotherhood created confusion in the region about U.S. policy priorities and values. The U.S. response to the Arab uprisings and the new Middle East cold war has been uneven, and the United States has often appeared as little more than a bystander.

The major changes underway in regional power dynamics point to a need to make U.S. foreign policy in the Middle East and North Africa more adept at understanding and responding to political currents in a way that reflects both U.S. core security interests and values. Simply focusing on questions of how many troops are stationed in a particular country for what period of time or how much bilateral security assistance the United States gives to a particular country is too narrow and inadequate to deal with the historical changes sweeping the region and upending its political balance.

A wider range of state actors are seeking to advance their interests and values across the region, and the regional landscape now includes a number of non-state actors that have broader reach and impact than they did in previous eras. The United States will not be able to dictate or control events, but many in the region still examine what the United States says and does very closely. Most of its key governments take active steps to shape the trajectory of U.S. policy. The United States should make the most of these diplomatic engagements to craft a wiser engagement policy that seeks to isolate and defeat extremist ideologies in the ongoing battle of ideas.

\*This essay is an excerpt from a June 2014 CAP report titled: "U.S. Middle East Policy at a Time of Regional Fragmentation and Competition: Lessons for U.S. Policy from the Past Three Years." It is based on field research conducted by Center for American Progress team members in the following countries during 2013–2014: Bahrain (December 2013); Egypt (November–December 2013 and January 2014); Jordan (January and March 2014); Lebanon (April 2014); Qatar (May 2014); Tunisia (December 2013); Turkey (November 2013 and April 2014); and the United Arab Emirates (January 2014).



# U.S. and China Silk Road Visions: Collaboration, not Competition

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By Ariella Viehe July 13, 2015





At the March 2015 Boao Forum for Asia, China’s premier development conference, Chinese President Xi Jinping placed the “New Silk Road and Maritime Silk Road” at the center of his 2015 economic development agenda.<sup>1</sup> Referred to in English as “Belt and Road initiative,”<sup>2</sup> the program aims to bring trade opportunities and economic development to “the belt,” the land route crossing Central Asia and the Middle East; and “the road,” the maritime route around Southeast Asia, the Persian Gulf, and the Horn of Africa. The initiative echoes and expands on several previous initiatives, including the United States’ New Silk Road initiative, or the NSR, the European Union’s Silk Wind initiative,<sup>3</sup> Turkey’s Silk Road Project,<sup>4</sup> and several others.<sup>5</sup> The trend is clear: greater economic trade and integration across Eurasia is increasingly important for China, Central and South Asia, and global international trade.

Since the March announcement, the Belt and Road initiative has operated in the shadows of another Chinese international development initiative: the Asian Infrastructure Investment Bank, or AIIB. Initially opposed by the United States, the AIIB is a new international development bank spearheaded by China and seen by many as a new competitor to the World Bank, intended to address the massive infrastructure needs across Asia.<sup>6</sup> U.S. opposition has centered on concerns about the potential for lower standards—environmental, physical, and labor—that AIIB may accept in its development pursuits. As a result, the Belt and Road initiative has inherited the same, albeit assumed, air of competition between the United States and China. Fu Ying, director of the Foreign Affairs Committee of the National People’s Congress, described official U.S. sentiment toward the Belt and Road initiative in a June 4 speech at the National Academy of Social Sciences in Beijing:

*The United States has been swinging from supporting to doubting to opposing China’s role in maritime search and rescue operations, global economic governance, regional infrastructure construction and the fight against climate change. No wonder, the US’ reactions to China’s One Road, One Belt Initiative and the Asian Infrastructure Investment Bank have been mixed.<sup>7</sup>*

In the United States, meanwhile, the Belt and Road initiative has garnered only a few public mentions, all of which have been narrowly confined to discussions of the United States' own NSR. Yet the assumption of U.S.-China competition overlooks a unique opportunity to transform U.S.-China cooperation in a region deeply important to both countries: Central and South Asia, in particular Afghanistan and Pakistan.

It will take concrete collaboration and projects between the United States and China to overcome these notions of inherent competition. This paper provides a brief overview of both the U.S. and Chinese initiatives, outlines areas of consistency and complementarity, and offers concrete areas of potential collaboration between the United States and China.

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## China's Belt and Road initiative

Chinese interlocutors define the Belt and Road initiative variably as a strategy, a framework, and an initiative, which indicates the vague and relatively early stages of its development, even among Chinese leaders. Following the Boao Forum in March, the Chinese government identified five themes, or “connectivities” to provide the basic contours of the initiative.<sup>8</sup> These include a network of unimpeded trade, facilities connectivity, financial integration, policy coordination, and cultural exchanges.<sup>9</sup>

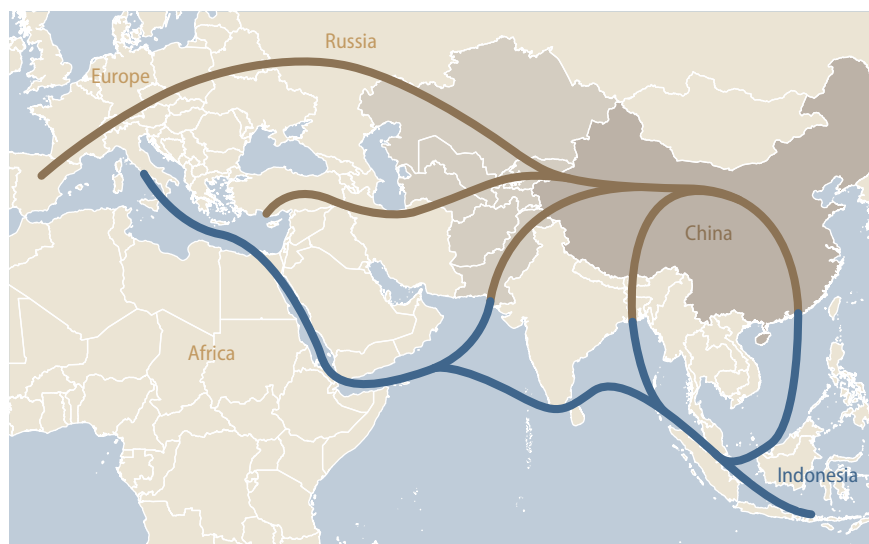
In a May visit to Pakistan, President Xi announced the China-Pakistan Economic Corridor, or CPEC, as one component of the Belt and Road initiative, bringing several existing development projects under the umbrella of Belt and Road. CPEC, which encompasses \$46 billion in projects and investments, has the potential to reduce transportation times by one week by giving China access to the Indian Ocean and avoiding the lanes through Southeast Asia.<sup>10</sup> Such projects provide a glimpse of the Belt and Road initiative's sweeping ambition.

Chinese counterparts have cited ambitious, indeed global, goals for the Belt and Road initiative. In the face of slowing gross domestic product, or GDP, growth and reduced demand from traditional export markets—namely the United States and Europe—the Belt and Road initiative seeks to develop new markets for China's excess capital and commodities and to find cheaper routes to existing markets.<sup>11</sup> China's energy consumption continues to grow despite the overall slow-down in domestic growth, and the Belt and Road initiative can provide access to new and

cheaper energy markets in Central Asia and the Middle East.<sup>12</sup> The belt of Belt and Road initiative is also aimed at developing China's interior provinces, which lag behind their coastal counterparts.<sup>13</sup> For example, the Yiwu–Madrid railroad runs through China's eastern, or Yiwu, and western, or Xinjing, provinces through Central Asia and Eastern Europe before terminating in Spain. This recently completed route reduces transportation by 14 days, compared with the maritime route through Southeast Asia and the Suez canal.<sup>14</sup>

**FIGURE 1**  
**China's Silk Road economic belt and maritime Silk Road**

Routes as announced by June 2015



Source: Author's participation in "Unblocked Trade, Co-Build Prosperity," Silk Road Economic Belt Cities International Forum, Yiwu, China, June 18–19, 2015. Zhang Xiang, "Belt and Road Initiative open to all," *China Daily*, April 16, 2015, available at [http://www.china-daily.com.cn/china/2015-04/16/content\\_20452313.htm](http://www.china-daily.com.cn/china/2015-04/16/content_20452313.htm).

Such massive projects are expected to be the hallmark of the Belt and Road initiative, which is backed by several sources of Chinese funding. Directly, the initiative can draw from the Silk Road Fund, a \$40 billion fund that is expected to consist of mostly loans. The Belt and Road initiative is also expected to access the AIIB's \$50 billion fund, as well as an estimated \$62 billion in capital from the three policy banks: the China Development Bank, China's Import-Export Bank, and the Agricultural Development Bank of China.<sup>15</sup> This multibillion dollar level of funding far outpaces the funding for previous Silk Road efforts. At the same time, such high funding levels carry risk: the Belt and Road initiative could overlook previous Silk Road efforts, ignoring past lessons and opportunities for collaboration, or it could rely solely on financial ability to overcome obstacles.

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## The U.S. New Silk Road initiative

The United States' New Silk Road initiative, launched in 2011, was designed to integrate Afghanistan into the regional economy after three decades of conflict and isolation. It was also aimed at transitioning Afghanistan away from its dependence on foreign aid and military presence by tapping into the country's existing natural, human, and geographic resources.<sup>16</sup> Further, regional economic integration presented a new opportunity for confidence building among governments whose bilateral relationships had often been defined by security and political tensions. The NSR sought to address persistent development challenges—such as stalled energy and transportation projects—by focusing on existing, well-developed, and highly efficient projects that would prove the benefits of regional economic development.<sup>17</sup>

Since 2011, the NSR initiative has evolved, accumulating lessons and adapting to new political and security developments in the region. In 2014, the NSR adopted a thematic approach that arranged its initiatives under four major themes: regional energy markets; trade and transport routes; improved customs and borders; and connecting businesses and people.<sup>18</sup> Given the wealth of hydrocarbon resources across the Central Asian states and the growing demands in Afghanistan and Pakistan for energy to drive economic development, the United States has focused primarily on regional energy markets over the past year. For example, the \$1.2 billion CASA-1000 project to provide surplus hydroelectric power from Central Asia to Afghanistan and Pakistan is fully funded and beginning the implementation phase.<sup>19</sup> Meanwhile, the Turkmenistan-Afghanistan-Pakistan-India, or TAPI, pipeline is making slow progress, awaiting political decisions within the host countries.<sup>20</sup>

Unlike China's Belt and Road initiative, the NSR focuses less on infrastructure and more on technical and regulatory needs. To ensure that infrastructure is built to modern standards, the people using, maintaining, and overseeing the infrastructure at both the local and national level should have training in and exposure to best practices.

Over the past four years, the NSR has shaped a vision and a goal for the region, centered on improving the economic foundations of the north-south trade between Afghanistan, Pakistan, and Central Asia. The United States' experience has also exposed the depth of challenges and critical needs throughout the region. A sustained, committed, and coordinated effort will be required to meet the demands and, most importantly, the potential of the region.

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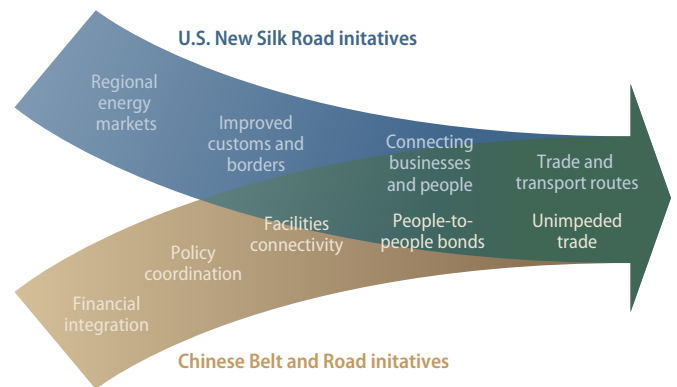
## Areas of consistency

The U.S. and Chinese development efforts are complementary in both substance and aspiration. Both initiatives espouse a similar vision: to develop sustainable economic growth across borders. Both initiatives see Afghanistan and Pakistan, as well as Central Asia, as key regions to develop, both due to their economic potential and for the need to provide an alternative to the regional instability that threatens both China and the United States.

In specific economic themes, the two initiatives also share key pillars. In March 2015, the Chinese National Development and Reform Commission published five pillars for the Belt and Road initiative,<sup>21</sup> similar to the four pillars under which the NSR has aligned its projects.<sup>22</sup> The pillars for each initiative, and their areas of overlap, are shown in Table 1.

Both initiatives emphasize energy development, trade and transport across borders, and human relationships as critical aspects for a sustainable economic future. Many of the opportunities and challenges identified in the economic gap analysis completed by the NSR as part of its inaugural 2011 plan still remain. The Belt and Road initiative and the NSR can capitalize on these shared pillars and previously completed assessments to accelerate projects.

**FIGURE 2**  
**Complementary pillars of the U.S. and China Silk Road initiatives**



Source: For U.S. New Silk Road initiative, see Fatema Sumar, "The New Silk Road Initiative in Action," *Foreign Policy*, April 29, 2014, available at <http://foreignpolicy.com/2014/04/29/the-new-silk-road-initiative-in-action/>; For Chinese Belt and Road initiative, see National Development and Reform Commission, "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road," March 2015, available at [http://en.ndrc.gov.cn/newsrelease/201503/t20150330\\_669367.html](http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html).

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## Areas of complementarity

The two initiatives have different funding and project focuses. The NSR has access to comparatively little funding: —including from \$150 million in fiscal year 2014<sup>23</sup> and potentially more in fiscal year 2015.<sup>24</sup> This limited funding stream reflects the NSR's effort to leverage existing or planned projects underway through the World Bank, Asian Development Bank, Islamic Development Bank, and other regional forums. For example, one of the NSR's signature focuses has been the Turkmenistan-Uzbekistan-Tajikistan-Afghanistan-Pakistan, or TUTAP,

electrical grid, a collaborative project by the ADB to phase in complementary electrical grid networks that will secure hundreds of kilowatt-hours for the region.<sup>25</sup> The magnitude of economic need in the region has led the NSR to pool resources and funds around established projects rather than undertake new projects unilaterally.

This reliance on multi-stakeholder, multi-donor projects has allowed for larger projects with potentially transformative effects, but it has also subjected projects to a longer process of stakeholder discussion. For the NSR, this process has been as important as the actual project implementation. In a region that is so weakly integrated, these large, multi-stakeholder projects offer a forum for bilateral relationship and confidence building. U.S. officials view this process as politically and diplomatically important to building relationships and establishing political buy-in from all host governments. The multilateral NSR model assumes that such political engagement will underpin the sustainability of projects, particularly ones such as CASA-1000, which are several years into development, construction, and operation.

The NSR's approach of developing projects jointly has made the process of project development and implementation as important as actual project completion. Logistically, working through multilateral organizations requires multilateral meetings with extensive preparation, advance discussions, and decision making. The NSR's work has therefore been in many ways diplomatic, building consensus and action among partners in the World Bank, the ADB, and with the Central Asian governments. This process produces delays, both political and logistical. For example, all participating countries signed CASA-1000 in 2014 after three years of discussions and negotiations, while the TAPI pipeline remains stalled due to slow political discussions.<sup>26</sup>

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## Opportunities for collaboration

Given the areas of overlap between the NSR and the Belt and Road initiative in vision, substance, and practice, the United States and China have a unique opportunity to collaborate in six key areas:

- **Dispelling notions of competition between the NSR and the Belt and Road initiative.** First and foremost, the two countries should stress their complementary goals and approaches. Public acknowledgment of this complementarity will encourage other regional actors to view the two as mutually reinforcing. Both the United States and China have, in general terms, welcomed the other nation's efforts. At the Boao Forum, President Xi Jinping said, "China's program for development will be open and inclusive, and not exclusive."<sup>27</sup> Similarly, U.S. Deputy Secretary of State Tony Blinken stated his strong belief that "many of the efforts that China is making, including through its engagement and its very significant investment, are very complementary with what we're trying to do, and will be very beneficial to people in the region."<sup>28</sup> While both statements were made domestically, the real audience was the countries of the Silk Road. The United States and China should expand these statements in international discussions—outside their own countries—to ensure wider audiences and acknowledgment.

- **Seeking joint projects in Central Asia, particularly Afghanistan.** The NSR's north-south work should serve as a foundation and opportunity for the Belt and Road projects in Central Asia, as well as in Afghanistan and Pakistan. It is precisely the gap analysis, priority projects, and lessons learned that can offer the Belt and Road initiative existing opportunities for returns on investments in the region. Both NSR and the Belt and Road initiative offer significant investments that can bolster Afghanistan's economic sustainability. Further, circumventing Afghanistan's geographic location would consign trade to longer and more complex routes to the Middle East.

- **Leveraging existing multilateral projects.** If the Belt and Road initiative and the NSR work in tandem, they can complete large, concrete projects in the region. The existing projects identified by the NSR and partners in the World Bank, ADB, and regional governments will stand a better chance of success if all donors and partners work together to leverage resources. Existing and planned projects that could benefit from joint U.S.-China support include:<sup>29</sup>

- Establishing a regional technical vocation training center
- Developing a regional labor market and facilitation
- Expanding the CASA-1000 electricity grid
- Harmonizing customs procedures
- Upgrading border crossings and multi-modal land ports
- Negotiating transit-trade agreements with neighboring countries
- Accelerating Central Asian Regional Economic Cooperation's four regional economic corridors linking China with Russia and Europe



- **Linking multilateral projects to job creation in Afghanistan and Central Asia.** The current and growing youth bulges in the region pose a significant risk to security and political stability. The projects above offer productive employment opportunities that are one step toward incorporating those youth into a stable region. The Belt and Road initiative and the NSR should collaborate to develop job-training components alongside infrastructure projects, thereby providing a sustainable development model for the region.
- **Tailoring the NSR and the Belt and Road initiative to support the United Nations' post-2015 development agenda.** Both the United States and China are leading supporters for the new United Nations' initiative for the post-2015 sustainable development agenda. As the name suggests, the agenda seeks both transformative and sustainable development. Given the objective of rapid economic growth in Silk Road countries, the United States and China can use the agenda's Sustainable Development Goals as guiding principles for projects. For example, SDGs share both nation's commitment to reducing climate change; The NSR and the Belt and Road initiative's projects can target both bilateral and SDG environmental goals.<sup>30</sup>
- **Enhancing the region's existing institutions to achieve greater integration.** The NSR and the Belt and Road initiative aim to cultivate the ambitious networks and complex systems necessary for advanced economic development. Both initiatives could benefit from coordination with existing multilateral and regional forums focused on economic growth, such as the Central Asian Regional Economic Cooperation, or CAREC,<sup>31</sup> and the global city forum, including the C40 forum that brings together leaders of global cities to discuss best practices.<sup>32</sup>
- At the same time, the NSR and the Belt and Road initiative should use their momentum to enhance these regional institutions that are critical for regional cooperation.



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## Conclusion

As the Belt and Road initiative gains momentum, it has the opportunity to bring unprecedented infrastructure and economic connectivity to Central Asia, Pakistan, and in particular Afghanistan. Yet the depth of need in the region is extraordinary. The Belt and Road initiative and the NSR are more likely to succeed and generate significant returns if they complement one another rather than compete for the same resources. Complementary efforts could range from a simple declaration of noncompetition to coordinated U.S.-China projects in Afghanistan. So far, both countries have welcomed the other's initiative. Now is the time for each nation to follow through on their stated intentions and produce true cooperation.

*Ariella Viehe is a CFR Fellow with the National Security and International Policy team at the Center for American Progress. The views expressed in this article are those of the author and do not necessarily represent the views of the U.S. Department of State or the U.S. government.*

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## Endnotes

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