

## China's new silk road and international cooperation: A comparative analysis

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### Abstract

China's New Silk Road initiative proposes to duplicate the original Silk Road by establishing both land and maritime transport routes from Asia to Europe and beyond and thereby strengthening international trade for inclusive and mutually beneficial economic growth in all member countries and affected regions. In this regard, this paper examines attitudes toward China's New Silk Road in terms of its perceived future impact on international cooperation among member countries by investigating how Chinese and German students perceive this impact. The paper also determines those factors they consider to be the most important in terms of a positive impact of the New Silk Road on international cooperation. The paper also investigates those factors considered to be the most important in terms of a negative impact. The results based on a survey of 98 Chinese and German college students indicate that the respondents generally had favorable attitudes toward China's New Silk Road initiative. Chinese students showed a significantly higher mean than German students. The respondents emphasized trade activity as the most important factor influencing their attitudes toward China's New Silk Road in terms of its positive effect on international cooperation. Chinese students identified trade activity, and German students also identified trade activity as the most important factor. In terms of the most important factors influencing attitudes toward China's New Silk Road in terms of its negative impact on international cooperation, Chinese students identified press coverage, and German students also identified press coverage.

**Keywords:** new Silk Road, international cooperation, China, Germany, students, attitudes, comparative analysis

### 1. Introduction

China's New Silk Road initiative proposes to duplicate the original Silk Road by establishing both land and maritime transport routes from Asia to Europe and beyond (Fallon, 2015) [4]. The New Silk Road expands on the original route by taking into considering today's economic and social needs and requirements. The main focus is on strengthening international trade for inclusive and mutually beneficial economic growth in all member countries and affected regions.

The New Silk Road initiative institutionalizes of its funding scheme, including the \$40 billion fund created in December 2014 to enable huge infrastructure projects. This fund combines resources from the State Administration of Foreign Exchange, the China Investment Corporation, the Export-Import Bank of China, and the China Development Bank (Gu, 2015) [5]. In addition, a multinational funding organization with \$100 billion from Asian Infrastructure Investment Bank (AIIB), which composes of 57 members including Germany, the United Kingdom, and Russia, has been established (Callaghan & Hubbard, 2016). AIIB is designed to allocate needed funds for various infrastructure projects across Asia and Europe.

The New Silk Road initiative places great emphasis on being mutually inclusive and beneficial for all stakeholders. Member countries can benefit by growing its economy based on accessing new international markets (Kratz & Pavlicevic, 2016) [9]. In turn, this increase in international trade and cooperation is expected to increase security for the region and ultimately the world (Stegen, 2014) [16].

Based on the aforementioned discussion, this paper examines attitudes toward China's New Silk Road in terms of its perceived future impact on international cooperation among member countries by investigating how Chinese and German students perceive this impact. The paper also determines those factors they consider to be the most important in terms of a positive impact of the New Silk Road on international cooperation. The paper also investigates those factors considered to be the most important in terms of a negative impact. The rest of this paper is organized as follows: Section II offers the theoretical framework. Section III discusses the methods. Section IV presents the results. Section V concludes with implications.

### 2. Theoretical Framework

Previous studies have considered diverse factors influencing stakeholders' favorable attitudes toward cooperation among various parties, including increased trade activity, increased tourism, and immediate economic impact. Studies have also examined those factors influencing their negative attitudes, including negative press coverage, negative social media sentiments, and delayed economic impact.

In terms of increased trade activity, Manger & Picku (2016) [10] found that increased trade activity can strengthen international trade agreements and networks. This suggests that increased trade activity may have a positive effect on stakeholders' attitudes toward the New Silk Road initiative. In terms of increased tourism, Napoles (2016) [13] found that tourism plays a crucial role in trade between Mexico and the U.S. This suggests that increased tourism may have a positive

effect on stakeholders' attitudes toward the New Silk Road initiative.

In terms of immediate economic impact, Binder (2016) <sup>[2]</sup> found that economic impacts played a key role in the trans-pacific partnership of various countries. This suggests that immediate economic impact may have a positive effect on stakeholders' attitudes toward the New Silk Road initiative.

In terms of negative press coverage, Arnold (2013) <sup>[1]</sup> found that countries strive for press coverage in their international cooperation and agreements for better outcomes. This suggests that negative press coverage may have a negative effect on stakeholders' attitudes toward the New Silk Road initiative.

In terms of negative social media sentiments, Fischer-Schreiber & Laperrouza (2013) <sup>[7]</sup> found that parties to international cooperation use social media technologies to communicate and promote their activities, including academic cooperation. This suggests that negative social media sentiments may have a negative effect on stakeholders' attitudes toward the New Silk Road initiative.

In terms of trade imbalance, Satake (2000) <sup>[15]</sup> found that trade imbalance can cause conflicts in international cooperation and agreements in the automotive sector. This suggests that trade imbalance may have a negative effect on stakeholders' attitudes toward the New Silk Road initiative.

In terms of differences in country of origin, cultural differences may influence people's perceptions. According to Hofstede's (2011) cultural dimensions theory, dimension of individualism and collectivism can have effects of people's perceptions. McFeeters (2003) <sup>[12]</sup> stated that in an individualistic society, people receive learning in terms of how to learn and improve their value, whereas in a collectivistic society, people receive learning by focusing on doing and gaining a higher position in their society. Thus, cultural differences can affect people's perceptions. This suggests that there may be some differences between Chinese and German students in their attitudes toward the New Silk Road initiative.

Given previous research, this paper considers Chinese and German students' attitudes toward China's New Silk Road in terms of its positive impact on international cooperation among member countries and evaluates factors that may have a positive impact their attitudes as well as a negative impact. In addition, the paper investigates any differences in attitudes between these two student groups.

Based on the aforementioned discussion and factors, this paper is guided by the following four research questions:

RQ1. How do Chinese and German perceive China's New Silk Road in terms of its impact on international cooperation? Is there a difference in this perception between the two groups?

RQ2. Which key factors do Chinese and German students emphasize in terms of China's New Silk Road's positive impact on international cooperation? Is there a difference in this perception between the two groups?

RQ3. Which key factors do Chinese and German students emphasize in terms of China's New Silk Road's negative impact on international cooperation? Is there a difference in this perception between the two groups?

### 3. Methods

#### Participants

A total of 98 college students participated in this survey. These students included 50 Chinese students and 48 German students. The survey was conducted online by identifying social media users in both countries and contacting them to participate in the online survey. At the start of the survey, each student was given a brief description of China's New Silk Road initiative and goals. Standard survey techniques were employed, and because no personal data were asked, no informed consent form was needed. All students were informed of the voluntary nature of their participation in the survey. The survey was conducted from March 2 to 25, 2017.

#### Instrumentation

Five items were employed for the assessment of respondents' attitudes toward China's New Silk Road. One item was for demographic data (country of origin; nominal scale), and the remaining four were for their attitudes measured using a five-point Likert-type scale ranging from "strongly disagree" (1) to "strongly agree" (5). These four items were adapted from James (2002) <sup>[8]</sup>. The internal consistency and reliability were assessed based on Cronbach's  $\alpha$  (.886), which indicated sufficient internal consistency and reliability (Nunnally, 1978) <sup>[14]</sup>. Table 1 shows these four items.

Table 1. Items for attitudes toward China's New Silk Road

China's New Silk Road will provide opportunities for member countries to access new markets.

China's New Silk Road will provide opportunities for member countries to cooperate more in various projects.

China's New Silk Road will increase overall international trade among member countries.

China's New Silk Road will enhance the quality of life for people living and working in member countries.

For respondents' perception of key factors influencing their attitudes toward China New Silk Road in terms of its positive impact on international cooperation, the questionnaire asked each student to select one of the following three factors that he/she considered to be the most important one: increased trade activity, increased tourism, and immediate economic impact.

For respondents' perception of key factors influencing their attitudes toward China New Silk Road in terms of its negative impact on international cooperation, the questionnaire asked each student to select one of the following three factors that he/she considered to be the most important one: negative press coverage, negative social media sentiments, and trade imbalance.

#### Analysis

For RQ1, means and standard deviations for four items for attitudes toward China's New Silk Road were assessed. Differences in means between Chinese and German students were evaluated. Statistical significance was evaluated through the independent-samples t-test. For RQ2 and RQ3, the chi-square test was conducted using four key factors influencing attitudes toward China's New Silk Road. Internal consistency was assessed using Cronbach's  $\alpha$  (.886).

**4. Results**

**RQ1**

The respondents generally had favorable attitudes toward

China's New Silk Road initiative. According to the results, the mean for the whole sample was 3.1582 (SD=.88398).

Table 2 shows the results.

**Table 2:** Means and standard deviations

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
score	98	1.00	4.75	3.1582	.88398
Valid N (listwise)	98				
Group Statistics					
	country	N	Mean	Std. Deviation	Std. Error Mean
score	China	50	3.3600	.88375	.12498
	Germany	48	2.9479	.84261	.12162

Chinese students (3.3600 (SD=.88375)) showed a higher mean than German students (2.9479 (SD=.84261)). German students as a whole showed an unfavorable attitude. As shown in Table 3, the results of the independent-samples t-

test indicate a significant difference between the two groups (t(96)= 2.363, p=.020), indicating that Chinese respondents were significantly more likely to have favorable attitudes than German respondents.

**Table 3:** The independent-samples t-test

Independent Samples Test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
score	Equal variances assumed	.084	.772	2.361	96	.020	.41208	.17456	.06558	.75859
	Equal variances not assumed			2.363	95.996	.020	.41208	.17439	.06592	.75825

**RQ2**

As shown in Table 4, the respondents emphasized trade activity (56.1%) as the most important factor influencing their

attitudes toward China's New Silk Road in terms of its positive effect on international cooperation, followed by tourism (25.5%) and economic impact (18.4%), in that order.

**Table 4:** Most important factors influencing attitudes toward China's New Silk Road in terms of its positive effect on international cooperation (N, %)

		attribute				Total
		Trade activity	Tourism	Economic impact		
Country	Chinese	Count	28	11	11	50
		% within country	56.0%	22.0%	22.0%	100.0%
	German	Count	27	14	7	48
		% within country	56.3%	29.2%	14.6%	100.0%
Total		Count	55	25	18	98
		% within country	56.1%	25.5%	18.4%	100.0%

As shown in Table 4, in terms of the most important factors influencing attitudes toward China's New Silk Road in terms of its positive impact on international cooperation, Chinese students identified trade activity (56.0%), followed by tourism (22.0%) and economic impact (22.0%) equally. German students identified trade activity (56.3%) as the most important factor, followed by tourism (29.2%) and economic impact (14.6%), in that order. The results of the chi-square test for the relationship between country of origin and these factors indicate a non-significant relationship ( $\chi^2(2) = 1.227$ ,

p=.542). Cramer's V was .112, implying a strong relationship (Martínez-Casasnovas, Klaasse, Nogués & Ramos, 2008) [11].

**RQ3**

As shown in Table 5, the respondents emphasized press coverage (48.0%) as the most important factor influencing their attitudes toward China's New Silk Road in terms of its negative effect on international cooperation, followed by trade imbalance (32.7%) and social media sentiments (19.4%), in that order.

**Table 5:** Most important factors influencing attitudes toward China’s New Silk Road in terms of its negative effect on international cooperation (N, %)

		attribute			Total	
		Press coverage	Social media sentiments	Trade imbalance		
Country	Chinese	Count	26	4	20	50
		% within country	52.0%	8.0%	40.0%	100.0%
	German	Count	21	15	12	48
		% within country	43.8%	31.3%	25.0%	100.0%
Total		Count	47	19	32	98
		% within country	48.0%	19.4%	32.7%	100.0%

As shown in Table 5, in terms of the most important factors influencing attitudes toward China’s New Silk Road in terms of its negative impact on international cooperation, Chinese students identified press coverage (52.0%), followed by trade imbalance (8.0%) and social media sentiments (40.0%), in that order. German students identified press coverage (43.8%) as the most important factor, followed by social media sentiments (31.3%) and trade imbalance (25.0%), in that order. The results of the chi-square test for the relationship between country of origin and these factors indicate a significant relationship ( $\chi^2(2) = 8.863, p=.012$ ). Cramer’s V was .301, implying a strong relationship.

**5. Discussion**

China’s New Silk Road initiative proposes to duplicate the original Silk Road by establishing both land and maritime transport routes from Asia to Europe and beyond and thereby strengthening international trade for inclusive and mutually beneficial economic growth in all member countries and affected regions. In this regard, this paper examines attitudes toward China’s New Silk Road in terms of its perceived future impact on international cooperation among member countries by investigating how Chinese and German students perceive this impact. The respondents generally had favorable attitudes toward China’s New Silk Road initiative. Chinese students (3.3600 (SD=.88375)) showed a significantly higher mean than German students (2.9479 (SD=.84261)). The respondents emphasized trade activity (56.1%) as the most important factor influencing their attitudes toward China’s New Silk Road in terms of its positive effect on international cooperation, followed by tourism (25.5%) and economic impact (18.4%), in that order. In terms of the most important factors influencing attitudes toward China’s New Silk Road in terms of its positive impact on international cooperation, Chinese students identified trade activity (56.0%), followed by tourism (22.0%) and economic impact (22.0%) equally. German students identified trade activity (56.3%) as the most important factor, followed by tourism (29.2%) and economic impact (14.6%), in that order. In terms of the most important factors influencing attitudes toward China’s New Silk Road in terms of its negative impact on international cooperation, Chinese students identified press coverage (52.0%), followed by trade imbalance (8.0%) and social media sentiments (40.0%), in that order. German students identified press coverage (43.8%) as the most important factor, followed by social media sentiments (31.3%) and trade imbalance (25.0%), in that order.

The results have important policy and practical implications. For Chinese policymakers and those in other countries interested in ensuring the success of the New Silk Road in terms of its ability to have a positive impact on international

cooperation, they should emphasize trade activity and press coverage when promoting the initiative to stakeholders in their respective countries. At the same time, they should better explain factors such as economic impacts and trade imbalance to assure stakeholders that they are managing these factors appropriately. In addition, companies that work on implementing infrastructure projects with governments under the New Silk Road initiative to focus on their strength in terms of their ability to facilitate trade. They should also promote their ability to effectively manage economic implications and social media sentiments to stakeholders as they implement their projects.

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