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Jesa

La strategia a lungo termine cinese: il progetto "One Belt One Road"

By Saro Capozzoli, Stefania Bianco, Enrico Borsari, Roberta Consiglio - Jesa

Al giorno d'oggi, la Cina risulta essere una delle più importanti economie al mondo. Alla fine dell'anno 2013, il volume totale di importazioni ed esportazioni è stato rispettivamente di 1.817 e 2.05 miliardi di dollari. Valori di questo livello pongono la Cina in una posizione di prim'ordine in merito al commercio internazionale. Tuttavia, il governo cinese ha presto riconosciuto che, al fine di sostenere l'attuale andamento economico, sarebbe stato necessario impostare una serie di investimenti a lungo termine che proiettassero la Cina sul palcoscenico globale.

A partire dal 2013 la Cina ha iniziato a promuovere un'iniziativa nota come "One Belt One Road (OBOR)", un piano di sviluppo mirato alla creazione di una rete di collegamenti e cooperazione su scala mondiale. Il progetto, che ha come obiettivo la costruzione di strade, ferrovie e porti, gasdotti e oleodotti, oltre alla realizzazione di altre infrastrutture di supporto, si estenderà su 65 nazioni, riguarderà soprattutto l'Eurasia ma interesserà anche Oceania ed Africa occidentale coinvolgendo circa 4.4 miliardi di persone. Tra le tante infrastrutture previste, due saranno le principali componenti di OBOR: la componente "di terra", nota come "Silk Road Economic Belt", e quella "di navigazione", chiamata "Maritime Silk Road". Oltre a questi due "macro-progetti", la proposta è stata ulteriormente rinforzata dalla progettazione di due nuove vie commerciali: il "corridoio economico" Cina-Pakistan e quello Bangladesh-Cina-India-Birmania.

L'importanza di questa iniziativa politico-strategica (di fatto attuata su scala globale) porterà alla Cina diversi vantaggi di natura geo-politica ed economica. Di certo, infrastrutture di alta qualità accresceranno l'efficienza dei trasporti, riducendo costi e tempistiche degli scambi commerciali. Va notato che la maggior parte dei progetti infrastrutturali andranno ad interessare specificatamente alcune delle regioni più povere e meno sviluppate della Cina. Pechino si aspetta che la "Belt" (cintura) ed il contestuale miglioramento dei collegamenti tra le province sottosviluppate del sud-ovest e quelle più ricche della costa incentivi una crescita più omogeneamente distribuita e favorisca, allo stesso tempo, l'ingresso delle aree più arretrate nell'economia del paese.

La conseguente espansione cinese su nuove piazze e mercati internazionali non è l'unico obiettivo che il partito spera di ottenere con questi progetti. La significativa sovraccapacità industriale risulta essere un seria criticità per l'economia cinese. La possibilità di costruire infrastrutture al di fuori del mercato domestico punta a ridurre l'enorme eccesso di capacità produttiva del settore industriale cinese, non più assorbibile dalla domanda interna.

La portata di questo piano industriale modificherà, molto probabilmente, la struttura economica Euroasiatica ed apporterà chiari vantaggi strategici alla Cina. Si prenda come esempio il corridoio economico Cina-Pakistan (CPEC), ovvero il "mega-progetto" in via di sviluppo che mira a connettere il porto di Gwadar nel sud-ovest del Pakistan alla regione autonoma dello Xinjiang nel nord-ovest della Cina. Pechino ha investito 46 miliardi di dollari in questo progetto rendendolo il suo più grande investimento off-shore. Se è vero che questa iniziativa renderà il Pakistan ricco come mai sia stato in passato, non vanno ignorati i vantaggi che garantirà a Pechino. Attualmente, il 60 per cento del petrolio importato in Cina proviene dal medio-oriente. Di quest'ultimo, l'80 per cento è trasportato in Cina attraverso lo stretto di Malacca, un'area definita ad alto rischio. Lo stretto è infatti insidiato da pirati, costantemente soggetto alle tensioni nella regione e al conseguente rischio di "blocco" da parte di stati come l'India o gli U.S.A. L'insicurezza energetica è pertanto fonte di grande preoccupazione per la Cina. Gli oleodotti e tutte le infrastrutture incluse nel "CPEC" puntano alla progressiva riduzione del traffico energetico che attraversa, via oceano, tutto il Sud-Est asiatico.

Come si evince dalla mappa, il dominio sul porto di Gwadar diverrebbe in tal caso strategico, poiché fondamentale per l'accesso al Mar Arabico. Gwadar si trova infatti nella provincia del Balochistan (nell'ovest del Pakistan), alle porte del golfo persico, appena fuori lo stretto di Hormuz.

Secondo gli esperti, il completamento del porto di Gwadar renderà quest'ultimo il centro economico del Balochistan e generà ricavi per

miliardi di dollari. Il porto fornirebbe, altresì, da collegamento tra il mar Caspio e lo Stretto di Hormuz consentendo a Gwadar di competere perfino con il Golfo Persico. Sulla base dell'accordo stretto tra i due stati, il porto rimarrà di proprietà del Pakistan ma sarà reso operativo dall'azienda cinese di proprietà statale "China Overseas Port Holding Company" (COPHC). In buona sostanza, la Cina trarrà benefici sicuri dall'operatività di questa postazione.
Lo sviluppo del porto di Gwadar non è che uno dei tanti progetti in cantiere. Le strategie del governo centrale stanno inducendo aziende a proprietà statale ad investire miliardi in progetti per la costruzione di porti lungo le coste dell'Oceano Indiano, dello Sri Lanka e del Kenya. Da quando la Cina ha rivelato il piano "OBOR" due anni fa, sono stati fatti significativi passi in avanti. Il porto di Gwadar è stato completato e 10 dei 26 progetti parte del CPEC sono in corso di realizzazione.

Ad oggi, la porzione principale della “Silk Road Economic Belt”, ovvero la ferrovia Yiwu-Madrid, è stata completata alla fine dello scorso anno ed è già in funzione. La linea ferroviaria ha una lunghezza di 13053 chilometri e attraversa Kazakhstan, Russia, Bielorussia, Polonia, Germania e Francia prima di arrivare nel terminal di Madrid. Il treno impiega solo tre settimane per percorrere distanze che normalmente richiederebbero fino a sei settimane di percorrenza via mare.

Niente in Cina accade od è fatto per caso. Ogni singolo obiettivo che Pechino intende realizzare risulta essere allineato con la propensione generale all’estensione ed all’ampliamento continuo dei confini dell’economia cinese e delle sue aree d’influenza. Le alleanze strategiche che la Cina continua a stringere creeranno nuove opportunità e modificando inevitabilmente l'assetto dell'economia globale.

China’s long-term strategy: One Belt One Road.

By Saro Capozzoli, Stefania Bianco, Tommaso D’Amico, Enrico Borsari - Jesa

Currently, China is one of the strongest economies in the world. At the end of 2013, the total values of the import and export were respectively US$1.817 trillion and US$2.05 trillion. These numbers put China on top of the list of trading nations around the world. However, the Chinese Government realized soon that in order to keep this supremacy it would have to look ahead and design a long-term strategy.

From 2013, China started to promote the One Belt One Road (OBOR) initiative, a development plan focused on connectivity and cooperation among countries. The OBOR would include overland roads and rail routes, oil and gas pipelines and other infrastructure projects. It will stretch among 65 countries –mainly in Eurasia but it would include Oceania and West Africa as well, and will concern 4.4 billion of people.

Two are the main components of OBOR, the land-based "Silk Road Economic Belt" and oceangoing "Maritime Silk Road". Beside these two macro projects, the initiative has been extended by adding two more networks, the China-Pakistan economic corridor and the Bangladesh-China-India-Myanmar economic corridor.

This huge initiative would bring several geopolitical and economical advantages. Of course, high quality infrastructures would increase the efficiency of transportation cost-wise and time-wise. Most of the infrastructure projects would run through some of China's poorest and least developed regions. Beijing is hoping that, by improving connectivity between its underdeveloped southern and western provinces and its richer seacoast; the Belt would improve China's internal economic integration and competitiveness and incentive a more homogeneous growth. Moreover, the initiative is intended to reduce the enormous overcapacity of Chinese industrial sector making easier for Chinese goods to enter foreign markets. Massive industrial overloading is a big concern for the country since the domestic demand is not able to absorb it.

Beside these reasonable points, other considerations have to be added. The size of this initiative would likely change the structure of the Eurasian economy and would bring strategic advantages to China. For instance, the China-Pakistan economic corridor reflects China's new attitude toward long-term vision. The China-Pakistan economic corridor (CPEC) is a developing megaproject, which aims to connect Gwadar Port in south-western Pakistan to China's north-western autonomous region of Xinjiang. Beijing invested around USD 46 billion in this project making it its biggest overseas investment.

Of course, this project would make Pakistan a richer and stronger entity than ever before but at the same time, it would bring new opportunities for China. Currently, 60 percent of China's imported oil comes from the Middle East and 80 percent of that is transported to China through the Strait of Malacca, a high-risk area. Pirates are common in this area and if any tension breaks out in the region, US or India could easily block this channel. Thus, energy security is a key concern for China. Oil pipelines and all the infrastructures included in CPEC would cut ocean travel through the Southeast Asia. As a result, thanks to this huge project, Beijing will be able to reduce the high risk that characterizes almost half of the whole country's oil supply.
Moreover, the Gwadar port would have a high importance because of its strategic location.

As we can see in the map here above, Gwadar is located in Pakistan's western province of Balochistan, at the mouth of Persian Gulf just outside the Strait of Hormuz. It has a direct access to the Arabian Sea.

According to the expert, the completion on Gwadar port would make it the economic hub of Balochistan and would generate billions in revenue. It would provide links form the Caspian See to the Strait of Hormuz and enable Gwadar to compete with Persian Gulf. Of course, China would enjoy this opportunity. Indeed, according to the agreement, the port will remain the propriety of Pakistan but it would be operated by the state-owned Chinese enterprise "China Overseas Port Holding Company" (COPHC).
The Gwadar projects is not an insolate case. China's maritime trade ambitions are bringing Chinese state-enterprises to invest billion into port-building projects across Indian Ocean rim, Sri Lanka and Kenya.

Since China proposed its OBOR strategy two years ago, it has made significant headway. The Gwadar port has been completed and 10 over the 26 projects included in the CPEC are already under construction. The main part of the "Silk Road Economic Belt" is currently operational and the Yiwu-Madrid railway has been completed at the end of last year. The route has a length of 8,111 miles and passes through Kazakhstan, Russia, Belarus, Poland, Germany and France before arriving at the Abronigal terminal in Madrid. The train takes just three weeks to complete a journey that takes up to six weeks by sea.

The previous considerations show us that nothing in China is made by chance. Every single goal Beijing wants to achieve is aligned with its plan of becoming the strongest economy in the word. The strategic alliances China is making would lead to new opportunities and would likely change the economy worldwide.

WTO and China's market economy status: anti-dumping after 2016

By Saro Capozzoli, Tommaso D'Amico, Enrico Borsari – Jesa

The 11-12-2016, China will be celebrating 15 years from its accession to the World Trade Organization. With these 15 years, China will conclude its incorporating process to the WTO as the final timetabled policies imposed on its agreement will expire. Among the expiring policies, the regulation under paragraph 15 of the Chinese accession agreement seems to be more appealing to other WTO members, as it states reconsiderations about China's non-market economy status.
This draws other countries' attention, since a non-market economy has different laws regarding price dumping. Price dumping in the context of international trade occurs when manufacturers export a product to another country at a price either below the price charged in its home market or below its cost of production.

In non-market economies this differs as there is a relatively distant relationship between prices and products. In fact, non-market economies are more susceptible to accusations of dumping than countries with an open market economy status due to the complicated relationship between prices and products. Previous to 2016 China can still be considered a non-market economy fairly easily given by the paragraph 15(a)(ii) of the accession agreement:

"The importing WTO Member may use a methodology that is not based on a strict comparison with domestic prices or costs in China if the producers under investigation cannot clearly show that market

economy conditions prevail in the industry producing the like product with regard to manufacture, production and sale of that product."

Since the main Chinese export markets are favourably subsidised or controlled by the government, other countries are allowed to name China as a non-market economy and disregard its prices as reliable when accusing of dumping, causing China to be the number one target for dumping accusations worldwide.

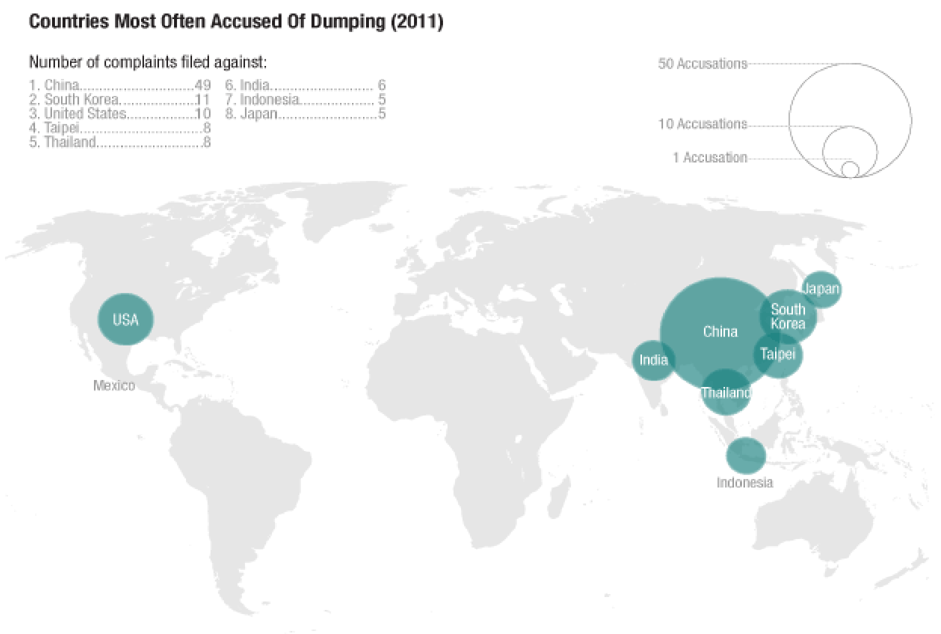

Figure 1: Source WTO

It can be claimed that the results showed above, are just a natural consequence of Chinese market structure, maily based on exports. However, not only many price dumping accusations are made but also, because of the high imbalance offered by the anti-dumping regulations metigated by the WTO before 2016, the dumping settlements result in highly unbalanced outcomes. For instance, in the colour television case (2003) initiated by the US, both Chinese and Malaysian producers were subject to anti-dumping investigations. The anti-dumping rates on Chinese enterprises was settled at 78.45%(the percentage reflects a reduction respectively to the alleged price) while that on Malaysian enterprises was only 0.75%. Although both producers were similarly behaving, the US was able to take advantage of the non-market economy status of China by consider the dissimilar Indian prices for the specific market which ultimately gave an unfair advantage to the American claim.

With the arrival of the last deadline in 2016, the rule subsequent to paragraph 15(a)(ii) is supposed to expire given by paragraph (d) of the same segment. With this abolishment, Chinese prices become bindingly relevant making dumping of Chinese products more difficult. Applying Chinese prices directly replicates the way other Market economy status countries are treated for anti-dumping measures. This cancellation has therefore appealed to the general public as China acquiring an automatic market economy status.

In reality, this is rather untrue and is far more complicated than it appears. According to this statement alone, from the expiring date onwards, it will be much harder, at least from a WTO perspective, to make a determination of the normal value of products targeted by anti-dumping proceeding on the bases of analogous third country methodology. Nevertheless, paragraph 15 of the accession agreement is strictly linked with the Article VI of the GATT 1994, which in the Ad note states as follows:

"It is recognized that, in the case of imports from a country which has a complete or substantially complete monopoly of its trade and where all domestic prices are fixed by the State, special difficulties may exist in determining price comparability for the purposes of paragraph 1, and in such cases importing contracting parties may find it necessary to take into account the possibility that a strict comparison with domestic prices in such a country may not always be appropriate."

Concurring to the article's Ad note, a country accused of dumping can be claimed to be a non-market economy as long as its prices are controlled by the government, or the market has an almost complete monopoly. As China is characterized by a socialist market economy, it is based on the dominance of state-owned enterprises and a young open market economy. This indicates a market structure characterized by few big players, most of which, although pertaining to an open market economy, are easily capable of adjusting prices. Furthermore, for another member of the WTO, exposing the targeted Chinese market as a non-market economy becomes rather simple, making the abolishment of paragraph 15(a)(ii) ultimately redundant.

According to the WTO, from 11 December 2016 onwards Chinese imports have to be treated with regard to a determination of normal value in the same way as imports from any other WTO member. Chinese prices will be directly used for comparison when accused of anti-dumping, and all Chinese markets will by default be considered part of an open market economy.
This shall only be disregarded if the accusing country is able to demonstrate the applicability of the Ad Note to Art. VI:1 GATT 1994 to the specific market. Although, China's biggest enterprises are still vast state-owned monopolies, due to the opening of its markets, many are drifting away from the standard state-owned system, causing the demonstration of a non-market economy progressively tougher for other WTO members. The expiring of paragraph 15(a)(ii) will release China from its non-market economy permanent status and allow it more power to fight dumping accusations, but due to its markets nature the path to a full market economy recognition is yet far from over.

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