

Interwoven Realities
Logistics and the reshaping of global governance

Anita Sengupta

Logistics is an emerging form of governance, global in scope and digitally controlled that operates on a transnational scale following its own organizational principles in ways that reorganize time and space.¹

In an article on Australia's alternatives in a global era that is increasingly moving towards regional powers and organizations to resolve collective problems, Britain's decision to join the China led Asian Infrastructure Investment Bank is highlighted as an example of how geopolitics and geo-economics is not only intimately linked but how increasingly the latter will 'trump' the former. The article goes on to note certain dramatic developments in global affairs, not the least of which is the 'tangible expression of China's material centrality in Asia and beyond', and highlights the recognition of this centrality in Britain's decision to join the organization, exclusion from which would influence its ability to be a player in a 'wider geopolitical and geo-economic game'.² Britain's decision, which was followed by a rush of other European states into the institution, was one of the biggest geopolitical stories of 2015 and was portrayed as a repositioning of the global community of states between the new economic superpower and the old one.³ Given Britain's increasingly 'isolationist' stance in Europe this recognition of the significance of an organization essentially projected as a financial institution that aims to support the building of infrastructure in the Asia Pacific region is interesting for various reasons.⁴ As Parag Khanna argues it indicates a transition towards "infrastructural alliances" where the material and the diplomatic will constitute two sides of the same coin and the strength of ties will be measured by mapping connectivity and volumes of flows.⁵ In fact he takes the argument further to indicate an infrastructural logic to global political events which will eventually mark a re-mapping of geopolitics.⁶

This can be exemplified in various ways all of which suggest, a waning of the sovereign state predicated on the logic of national territory though not necessarily in the sense in which the 'disappearance' of the state was debated in the 1990's. Ned Rossiter, for instance, in the course of a study based on what he calls 'the geography of cables' proposes the need to bring to the forefront the relationship between the transformation of sovereign power and communications infrastructure. He argues that the territorial space of the nation was broadly contained at the geographical level till the 'telegraph era'. The global scale of fiber-optic cables signals the

emergence of the 'logistical state' whose territorial power would be congruent upon operational capacity of infrastructure and the economy of supply chain capitalism.⁷This suggests an eventual shift towards re-shaping global governance and the relationship between sovereignty, institutions and economic calculations but also a resultant tension between 'infrastructural logic' and the logic of the national sovereignty. In recent years fundamental assumptions underlying the global world order have been politically, economically, socially and culturally challenged. Typically stable territorial formations (nation states, ideological blocs, global markets) have devolved into chaos while typically unstable extra territorial flows (communication networks, trade arrangements, cultural codes or capital reserves) are evolving into new coherent cohesions prompting the argument that globally there are shifts that are moving towards deterritorialization and reterritorialization at the same time.⁸ As Taylor argues "The comfortable division of ideological blocs and nation states set down territorially by the Cold War is being shredded but also rewoven in the uncomfortable reterritorialization of old ethnicities and new economies."⁹ A 'new world order' is in the making proposed by a China with more involvement in global affairs, openness to immigration and with the aim of building a global community of shared interests and responsibility through economic corridors.¹⁰ The corresponding reduced emphasis on the sanctity of sovereign limits, that the proposed large scale logistical arrangements would necessarily entail, has brought with it debates on how this would change the rules of the game as far as global influence is concerned. It is therefore being increasingly argued that OBOR signals the anticipation of new political principles guided by connectivity and infrastructural development whereby China would become the epicenter that links Eurasia.¹¹

The 'new normal', in economic terms, on the other hand, is a position that is likely to disrupt openness to trade on the part of the world that was its most vocal proponent and its support from states like China, which is stepping into the role of 'globalization's biggest supporter'.¹² This was reflected in President Trump's electoral promise to pull the US out of the twelve nation mega trade deal (the Trans-Pacific Partnership TPP which had been viewed as the means for the US to deepen economic engagement in the Asia Pacific region) and increasing numbers of states opting to join the China led Regional Comprehensive Economic Partnership (RCEP). Begun as a free trade agreement between the ten member states of the ASEAN and the six states with which the ASEAN has existing free trade agreement, RCEP will in all probability be expanded with the inclusion of states like Peru and Chile bringing into question the spatial aspect of the 'regional' economic partnership.¹³ This is not an isolated example. 'Regional' organizations like the Shanghai Cooperation Organization (SCO) today include as its 'dialogue partners' states as geographically separated as Azerbaijan, Armenia, Cambodia and Nepal. As such an understanding of complex regional alignments may be the key to comprehending the success or failure of economic diplomacy supported by large scale infrastructural projects and economic corridors that seems to be the hallmark of global politics today.

While a number of overlapping Asian organizations may serve as an example this article goes on to study the Shanghai Cooperation Organization and a proposed economic corridor, the BCIM (EC), to argue that the global scope of logistical arrangements will redefine existing balances of power and geo-economic relations. However, while the replacement of 'regional' organizations

by logistical spaces reduces the viability of 'regions' as geographically designed entities economic corridors move towards 'regional' integration on the assumption that development is a wider collective process. Nevertheless, both underline that global dynamics related to the management of infrastructure across borders will contribute to the creation of semi-autonomous governing bodies and to a redefinition of social and labour laws and relations across a number of states. This would result not just from strategies developed by the Chinese government led companies but also because these would confront diverse relations between public governance and private policies about economic corridors in different states requiring the development of new forms of diplomacy and geopolitical projections and a subsequent redefinition of relations between representative institutions and the governance practice of global logistic organizations. It would also create the possibility of a situation where governance itself moves from traditional sites to the competing sites of economic corridors that coexist on a global scale. Most borders that these corridors would traverse are also by nature arbitrary. However, the malleability of post-colonial borders that the economic corridors and pipelines would negotiate would mean a tension between the fluidity of frontiers that allow cross border movements of people and goods and the ownership of infrastructures like pipelines built by multinational consortiums that these would navigate. The friction between the shared ownership of the infrastructures and national ownership of territory could become a competitive site.

As a segment of a larger study on infrastructure, governance and India's Look East Policy the article situates the arguments within the perspective of the Sino-Indian dynamics since the geography which most of these corridors cross and the overlapping space of many of the Asian 'regional' organizations is ascertained as 'strategic' geographical space for both. Territorial frictions, however, rarely affect economic flows. The recent standoff between China and India in Doklam, over varying perceptions of political frontiers and frontiers of influence, is a classic example of the complex connection between geo-politics and geo-economics as the political posturing seems to have had little impact on the economic sphere. On the contrary one of the factors that contributed to diffusion was the influence of business concerns that operate across the borders.

The transforming cartographies of 'regional' organizations

Traditionally, three central elements have been identified by analysts as constituting the core elements of regionalism. First, a common historical experience and a sense of shared problems among a geographically distinct group of states/societies which constituted a *region*. Second, close linkages of a distinct kind between those states/societies, in other words recognition of a boundary to the region within which interactions would be more intense than those with the outside world, in other words, *regionalization*. Finally, the emergence of an organization giving shape to the region in a legal and institutional sense and providing rules of the game within the region, the element of conscious policy which is central to *regionalism*.¹⁴ Therefore, while dealing with regionalism three elements were considered to be important. The first related to the spatial dimension of regionalism, i.e., how large is the area covered and how is the area defined or redefined as conditions change. A second related to its scope; in other words the tasks or areas of

interaction covered by the region or by the regional organization. A third feature was the level and extent of the organization.¹⁵ These three were considered to be useful since they indicated the variety and unevenness of regionalism but also brought into focus the fact that regional organizations recognize boundaries both in terms of spatial dimension as well as in terms of scope.

The acceptance of these three as crucial brings into focus the fundamental question about the nature of the SCO, its aims and objectives. What was the SCO visualized to be --- a regional security group, a trade bloc or something else? And more importantly how has it developed over the years? In any case there is need to analyze whether the SCO was visualized as a 'regional' organization and the way in which its region was defined. In the 1990's the SCO had a clear criterion for membership --- states that share a border with China. The Shanghai Forum was formed to deal with the requirements of confidence building measures at the borders of the states and resolve border disputes. As a 'regional' bloc it then defined itself as China and its immediate neighbourhood to its west. If we accept this to be the SCO region then its optimal permanent membership would be the original six (though Uzbekistan does not share a boundary with China) and with the possible inclusion of Turkmenistan. However, most 'regional' organizations expand and this expansion is generally related to the way in which their role is subsequently visualized. The SCO expanded with the inclusion of three categories of membership, observers, dialogue partners and guests. Mongolia, India, Pakistan and Iran were accepted as observers. Given the significance of Afghanistan to the regional security balance it has been accepted as guest. A looser form of affiliation has been introduced with the introduction of the category of dialogue partner. The initial choice of Belarus and Sri Lanka as dialogue partners demonstrates this to be the new less restrictive category which would enable the organization to expand its geographical reach into Europe and South Asia, thus redefining the concept of the SCO region. Subsequently Turkey was accepted as a dialogue partner and more recently there has been agreement on acceptance of Belarus as observer and Azerbaijan, Armenia, Cambodia and Nepal as dialogue partners. By looking beyond traditional partners, the organization emphasized a readiness to respond to emerging complementarities and new avenues of cooperation.¹⁶ This is a significant development and a distinct change from the immediate priorities of the organization when it was first conceived. It was, however, the inclusion of India and Pakistan as permanent members of the SCO that raised the largest number of issues and most significantly the question whether 'good neighbourly partnership' would remain the principal focus of the organization. It is in this context that the 16th SCO Summit assumed significance.

The 16th SCO Summit held in Tashkent, Uzbekistan on 23-24 June 2016 concluded the process of inclusion of India as a permanent member in the SCO. However, even before the beginning of the Summit, reports tended to argue that the process of inclusion may not be the foregone conclusion that it is being assumed to be and that in any case the level of engagement that India would be offered within the organization would be determined by existing members. At the Summit in Ufa (Russia) on 10 July 2015, Putin announced that the organization was turning a 'new page as the process of including Pakistan and India is being launched'. More significantly the members reiterated their willingness to create a Development Bank and Development Fund and supported China's proposal to create a Silk Road Economic Belt across the SCO member states. The SCO Summit which followed the BRICS Summit underlined the importance of

stability in Afghanistan with the withdrawal of international forces.¹⁷ Post Ufa, a debate initiated among strategic experts on Russia, China, India and the Central Asian states on the implications of inclusion of India and Pakistan's in the SCO indicated that the acceptance of the two South Asian states within the SCO was far from resolved.¹⁸ Sanat Kushkumbayev, Deputy Director of the Kazakhstan Institute of Strategic Studies under the President of the Republic of Kazakhstan was quoted as saying, "The start of India and Pakistan's accession to the SCO was top of the agenda, but de jure the process has yet to be fully clarified. It is quite possible that an existing SCO member could block their entry". Uzbek President Islam Karimov noted that the entry of India and Pakistan could change the balance of power inside the organization and internationally. Uzbek analyst Farkhad Tolipov expressed concern about a number of unresolved issues between India and Pakistan and how these would affect the SCO. There were other unresolved issues including disagreements on the level of involvement in Afghanistan. Russian President Putin supported increased involvement of the SCO in Afghanistan whereas Uzbek President Karimov defined Afghanistan as a "smouldering war with no end in sight" and argued that the SCO needs to focus on long term interests, principally economic issues and increasing bilateral trade and investment.¹⁹

It is this understanding that was reflected in the decision on inclusion with clear indications that geo-economics rather than traditional political rivalries had been the decisive factor. For China the SCO as a geo-political platform is no longer crucial as the question of disputed borders has either been resolved or is no longer significant as they have become shared Special Economic Zones or can be easily navigated by Chinese trucks carrying products for the Central Asian markets. It is the One Belt One Road, an infrastructural project with its own funding agency the AIIB that has assumed importance and SCO meetings reiterate commitment to both as an integral part of the organization. And it is the need for combined material and political commitment in infrastructural development that seems to be the motivating factor for the acceptance of the expanded membership among the states. The public debate and rhetoric around the inclusion, however, continues to reflect traditional geopolitical positions. During the Russia-India-China (the RIC format is the core for the larger BRICS) foreign minister level meeting in Moscow on April 18, 2016 the joint communiqué issued after the RIC meeting noted,

Foreign Ministers of China and Russia reiterated the commitment of their countries to full and early implementation of the decisions of the SCO Summit Meeting in Ufa on 10 July 2015, and actively pushing forward the process of accession of India to the SCO. India expresses its willingness to become a full member of the SCO as early as possible so as to make greater contribution to the development of the SCO. It was agreed to work towards signing the Memorandum on India's Obligations for Obtaining the Status of SCO Member State by the Organization's Summit in Tashkent in June 2016.²⁰

Similarly, Tatyana Shaumyan, head of the Indian Research Center at the Institute of Oriental Studies, in an interview with Nezavisimaya Gazeta, positively assessed the value of this meeting. "It is very important that the three foreign ministers keep the tradition of tripartite meetings. There exist problems, both international and bilateral, and common positions are

being developed. Then there are issues on which differences remain unresolved between the countries, but the members of this forum are still willing to discuss their positions, on the basis of own national interests.”²¹ The commentary in the Chinese daily *Global Times* on India’s position on the South China Sea was equally illuminating. It noted

For years India has remained a prudent yet ambiguous stance over the South China Sea issue. At a sensitive moment such as now, India expressed the same attitude as China and Russia indicating a changing stance of mind. Why the case? One possible reason is that India has been striving for full-fledged membership of the Shanghai Cooperation Organization (SCO).....But India’s inclusion into the SCO has not been completed. India needs to prove that its accession can play a constructive role for the unity of SCO members and the international effect of the SCO.²²

M. K Bhadrakumar argued that the commentary has brought in a number of caveats to the issue of Indian inclusion: a) India needs to “prove” its intentions to play a “constructive role”; b) India’s rights as SCO member may not be on par with the other founder-members; c) India’s policies will need to be in harmony with Russia and China’s; and, d) The proposed logistics agreement between India and US creates uneasiness, as it signifies a shift in India’s foreign policy.²³

India’s entry into the Shanghai Cooperation Organization was therefore through a much debated process where the advantages and disadvantages of membership into a multilateral forum that would include not just Russia and China but also Pakistan has been subject to intense scrutiny not just by commentators from within India but also globally. A recent rather positive editorial begins with the argument that entry into the SCO opens up opportunities for India to its North.²⁴ A refreshing change from many others that have argued that ‘look north/northwest’ would never be a viable policy option for India given the intractable position of Pakistan and the continuing conflicts in Afghanistan that make ‘Look/Act East’ the only available Indian alternative, the editorial goes on to argue that entry into the SCO would provide opportunities in three key areas. First the SCO would become a forum where Pakistan could be held accountable for its terrorism secondly it could be a forum for negotiation of India’s relations with China and finally it would resolve the issue of non-contiguity with the Central Asian region by opening up lines of communication through Pakistan and Afghanistan.

While moving away from a position that completely diminishes Indian interests in the Northwest, there is also reason to critically assess the role that the SCO is being assigned as a negotiator for bilateral issues. And here one needs to take note not just of the intent of the original founders of Shanghai Five but also how the Organization itself has responded to various situations within the ambit of its core space and its immediate neighbourhood. A myriad of bilateral military and economic links within the SCO has often prevented it from developing a multilateral response in critical situations. While its lack of reaction to the ‘war on terror’ in its initial years was justified with the argument that Afghanistan was not a part of the organization, this continued in the case of conflicts emerging out of domestic power politics or even critical moments within the region like Andijan (2005) or Osh (2010) that involved member states and

led to ethnic clashes and movements of people across borders. Member states have remained deadlocked over appropriate action in case of issues that have been identified as internal to states, security action in case of cross border issues and most importantly expansion through introduction of new members. Greater attention has been paid by both Russia and China to developing bilateral relations with the member Central Asian states and alternative economic forums like the Eurasian Economic Community have emerged within the same space with the SCO failing to provide a collective economic potential. Diverging internal and foreign economic policies, varying commitments to institutions like the WTO or even the Russia led Customs Union, the absence of a free trade zone and underdeveloped infrastructure has impeded intra SCO economic potential. Issues where there has been general agreement among SCO members include preventing bilateral issues from clouding the overall SCO agenda and non-interference in bilateral or domestic matters. The lack of SCO involvement in Osh in 2010, was not just a reflection on the SCO's crisis management capabilities but also one of non-interference and has been matched by the lack of involvement during the Uzbek-Tajik feud over regional hydropower resources which led to Uzbekistan's blockade of rail shipments of equipment that Tajikistan needed to construct the Rogun Dam. Non-interference has extended to 'color revolutions' with a broad definition of 'security threats' and contending definitions of 'political change' and 'regional autonomy' encouraging inaction.

Over the years the inclusion of India and Pakistan within the forum has been debated and withheld on the ground that they would bring with them a plethora of bilateral issues that would overshadow critical developmental and security issues within the Central Asian space. The rather optimistic assumption that this would be transformed with their participation in the Tashkent based Regional Anti-Terrorism Structure and projected joint exercises with other SCO members anticipates not just resolution of long standing disputes but also the political and economic influence and deep seated interest of other states. Over the years various other contending interests have been inserted into the relationship the most recent being the much publicized Chinese initiative the China Pakistan Economic Corridor. On the day India joined the SCO as a member S Akbar Zaidi, noted political economist from Pakistan, argued in the course of a lecture in Kolkata²⁵ that the most dangerous implication of the CPEC is that it would prevent any rapprochement between India and Pakistan unless the Chinese themselves initiate such a process and that they would do only if that fits into their grand design in the region. This begs the question whether the Indian entry into the SCO part of this grand design where the 'Shanghai Spirit' would encourage overlook on issues of sovereignty.

Connectivity played a large part in the Indian decision to apply for membership with the general agreement that for India joining the SCO was about "raising its stakes in Central Asia", of greater connectivity to a wider resource rich region and an opportunity to work on common issues of concern. This in conjunction with Iran's membership would ensure that India would be able to move towards developing a platform for trade and transit through Bandar Abbas and Chabahar eventually linking with the North South Corridor. There also remained the possibility of the SCO acting as guarantor for projects like TAPI and the IPI which have been in the pipeline for a number of years. This would also provide a useful interface for interaction with Afghanistan and its neighbourhood. However, there is also the counter argument that SCO

engagement need not be over emphasized as bilateral engagement with the Central Asian states work just as well as illustrated by the uranium supply deal with Kazakhstan during Prime Minister Modi's visit.²⁶The Indian alternative through 'Connect Central Asia' that was projected as the policy initiative on the west that would complement its Look/Act East Policy with emphasis on the four "Cs" commerce, connectivity, consular and culture, however could not match the Chinese engagement either economically or in political terms.

In fact China's growing engagement in the global economy, its import-export markets and investments that exceed that of both the US and Japan means that its domestic decisions on fiscal, wage and monetary policies have global impact. And because of this role in the global economy China is today a global 'neighbour'. For instance as China's investment and trade along the new Silk Road continues to grow other competitors will eventually be eliminated as few states would be able to match the benefits offered by the Chinese.²⁷And this would increasingly be true of other regions as China moves towards what it considers to be a 'reform' of the international monetary system and its agencies (IMF, ADB, WTO) and is able to include growing numbers of states within an alternative system which would include the AIIB, New Development Bank and other 'Asian' developmental funds.

Seamless connectivity and the materiality of infrastructure

Another route to the transformation of geographies is through what is referred to as 'seamless connectivity' and the transformation of transport corridors into economic corridors. The economic justification for the projects (reduction of transit time and bringing new economic activity along the way)however, needs to be understood in the background of a reality where the assumed smooth transit actually encounters obstacles, resistance and frictions that result in what Grappi refers to as the 'politics of corridors'.²⁸Moreover, while corridors are emerging globally, different corridors initiatives meet, overlap, conflict and diverge, producing a variegated geography of logistical power.Grappi goes on to note

While the supply chain refers to the production processes behind the pervasive presence of logistics, the language of corridors refers to the materiality of infrastructure and the so-called "soft infrastructure" of governance that makes logistical operations possible at a larger scale.²⁹

There is not much consensus on what economic corridors mean though it is generally accepted that

Economic corridors capitalize on efficient multimodal transport network within ageography with the help of quality infrastructure, logistics, distribution networks that link production centers, urban clusters, and international gateways. Equallyimportant for transforming transport corridors into economic corridors is an enablingframework that eases doing business and non-tariff measures to facilitate trade.Economic corridors promote growth by removing infrastructure bottlenecks, improvingaccess to markets, stimulating trade and investment and boosting productivity and efficiency through

associated network externalities and agglomeration effects. They attract private investments in productive assets, which generate employment. Economic corridors also promote inclusive growth by expanding economic opportunities in backward regions and linking cities and towns with urban centers and industrial clusters.³⁰

While this seems to be the optimal optimistic assessment according to a Brookings report

Economic corridors are meant to attract investment and generate economic activities within a contiguous region, on the foundation of an efficient transportation system. They are meant to provide two important inputs for competitiveness: lower distribution costs and high-quality real estate. The corridor approach for industrial development primarily takes advantage of the existence of proven, inherent and underutilized economic development potential within the region.

Apart from the development of infrastructure, long-term advantages to business and industry along the corridor include benefits arising from smooth access to the industrial production units, decreased transportation and communications costs, improved delivery time and reduction in inventory cost. The strategy of an industrial corridor is thus intended to develop a sound industrial base, served by competitive infrastructure as a prerequisite for attracting investments into export oriented industries and manufacturing.

The most comprehensive form, the economic corridor integrates infrastructure development with the trade, investment, and other economic potentials of a set of specific geographical areas, while at the same time undertaking efforts to address social, environmental, and other potentially adverse impacts of increased connectivity. The most comprehensive form, the economic corridor integrates infrastructure development with the trade, investment, and other economic potentials of a set of specific geographical areas, while at the same time undertaking efforts to address social, environmental, and other potentially adverse impacts of increased connectivity.³¹

While a heterogeneous range of documents, guidelines, policy papers and master plans have been produced by nation states, regional cooperation organizations and other international bodies worldwide on the economic corridors these have primarily been related to transport scholarship. However, corridors entail a direct role for the authorities ruling in the spaces they cross, including city/village councils, regions and states, and international organizations concerned with trade, development and cross-border activities, while at the same time producing new governing dynamics and management agencies, whose role is growing as a consequence of the relevance assumed by transport connectivity and logistical infrastructure for global exchanges.

Seamless connectivity, (which includes sustainable infrastructure, seamless logistics, regulatory excellence, digital connectivity and mobility) which is the new buzzword whether one is talking about the Chinese led OBOR or the much less ambitious and sub-regional corridors like the BBIN, is an intricate process. Most studies on these corridors focus on ways in which transport

routes can be transformed into economic corridors since it is a given that the up-gradation of physical infrastructure does not in itself bring about a quantitative increase in trade volumes or regional integration. In addition to aspects like timely completion of all the projects, the need is for various 'soft' measures for transforming these connectivity corridors into development corridors with thriving trade, investment and other commercial activities for mutual benefit including supportive infrastructure for supply of power, communication and IT links and creation of capacities for skill development and training. Similarly, putting in place efficient border trade and transaction arrangements would also be very important. Banking facilities, easy payment modalities, quick food safety checks, efficient customs brokering system, single window clearances for transactions and bringing transactional costs to the minimum remain essential requirements.

However, these are fairly generalized requirements and as Pradeep Srivastava argues

While regional cooperation initiatives have clearly recognized development of regional corridors as central to enhancing their effectiveness and impact, the discussion of corridor development is often characterized by fairly general formulations that are frequently difficult to pin down in terms of content or implications. Starting from the unequivocal premise that these corridors encompass improved transport infrastructure and connectivity across the countries in the region, the regional corridors are then linked in general terms to increased trade and regional development. In the process, the corridors are expected to evolve into various stages through improvements in trade facilitation and provision of logistical services, but this transformative process is not informed by any explicit framework. The absence of a coherent framework is further intensified by the fact that regional corridor development intrinsically encompasses a broad spectrum of activities and stakeholders.

For instance, one approach to development of regional corridors envisages them as transforming through five stages, namely, Stage 1: Transport Corridor, Stage 2: Transport and Trade Facilitation Corridor, Stage 3: Logistics Corridor, Stage 4: Urban Development Corridor, and Stage 5: Economic Corridor. This taxonomy is a useful initial step but needs to be further developed. The differences between stages 2–5 are not clear-cut, in part because the stages in themselves are not all well-defined. Further, although some overlap between the stages is envisioned, there is a clear sequencing imposed across the stages.³²

Most economic corridors tend to remain trapped in between these stages and the BCIM (EC) is a classic example. In Asia various economic corridors have been initiated including the Greater Mekong Sub Region, the South Asia Sub-regional Economic Cooperation and the Central Asia Regional Economic Cooperation Project which involves the development of six transcontinental transport corridors. OBOR includes within its initiative six corridors at various stages of planning and implementation: the China-Mongolia-Russia Corridor, the New Eurasian Land Bridge, the China-Western Asia-Central Asia Corridor, the China Pakistan Economic Corridor the Indochina Peninsula Corridor and the Bangladesh China India Myanmar Corridor (BCIM). The BCIM

economic corridor would impact the broader Indian policy of Look/Act East since the North East constitutes the physical interface of overland infrastructural connectivity with South East Asia.

The BCIM Forum for regional economic cooperation earlier known as the Kunming Initiative was founded in 1999 with the objective of promoting trade and economic development in the sub-region stretching from south west China to eastern India via Myanmar, India's north east and Bangladesh. It was proposed that BCIM would connect India's North-East with China's Kunming province through road initially, and later, through rail connectivity. The understanding was that in case this corridor fructified, it would imply not only enhanced trade and connectivity but also open the door for China to upgrade infrastructure in port facilities in Bangladesh and Myanmar, key hubs in a potential MSR. In other words, BCIM would supplement the MSR enabling China an easier political opening in the Bay of Bengal.

Patricia Uberoi reiterates this argument when she notes that it was generally accepted that BCIM had been devised to serve China's geo-strategic and economic interests in the region and allow China access to the Bay of Bengal and acknowledge the role of Yunnan in sub regional cooperation.³³ However, she goes on to argue, despite India's Look East Policy no such parallel role was conceived for the north eastern states of India. The unequal enthusiasm with which the initiative was visualized meant that in spite of the euphoria of the initial years the Forum suffered from a lack of commitment until a joint statement made on the occasion of the state visit of the Chinese Premier in May 2013 referred to the possibility of "closer economic trade and people to people linkages and initiating the development of a BCIM Economic Corridor".³⁴ In India while the idea of industrial corridors (Delhi-Mumbai Industrial Corridor) and smart cities to create industrial and manufacturing hubs had been in vogue the developmental strategy that would go into the making of an economic corridor was still under review. In the first meeting of the BCIM-EC Joint Study Group held in Kunming in December in 2013 the scope of the corridor was defined such as to indicate that this would move beyond a linear connection between geographic points

The proposed corridor would run from Kunming (China) in the east to Kolkata (India) on the west broadly spanning the region including Mandalay (Myanmar) Dhaka and Chittagong (Bangladesh) and other major cities and ports as key nodes. With the linkage of transport, energy and telecommunications network the Corridor will form a thriving economic belt that will promote common development of areas along the corridor.³⁵

Successive BCIM statement documents have emphasized the need to harmonize infrastructural needs of the region and various suggestions including facilitation measures at border crossings to ensure seamless movement of vehicles goods and people, opening up direct flights and increased exchange of personnel, a feasibility study for a multi modal transport route and possible funding for it, aligning it with the Asian Highway and Trans Asian Railway Route as part of the Asian Land Transportation Infrastructure and connecting the missing links on a priority basis, the possibility of creating joint working groups for further improvement, developing bilateral and multilateral aid sources and technical knowhow have reiterated.³⁶ Its

achievements however have largely been restricted to a car rally and the setting up of a business council.

Since most of the transport and development corridors like the BCIM (EC) are cross-border initiatives, proposed bodies like the business council for instance become the connecting entities between political forms and administrative assemblages that exist formally and historically as separate, while performing similar functions in different states. These bodies constitute an intermediate body of stakeholders in global trade. Given the proliferation of corridor initiatives, these different groups – consisting of technicians, representatives of national governments and international institutions, and leading companies in the field of infrastructure, transport and production – represent intermediate bodies of the global political economy of logistics. What the different models of corridor organization attempt is to synchronize the logistical connectivity and transnational supply chains to both the physical functioning of infrastructures, and the administrative, legal and governance procedure existing in a given space.

However, this is not a simple process. It is important to remember that on the ground this formalization would encounter systems of informal border trade that have historically operated across the same borders usually with many participants – women traders, professional carriers, wholesalers, distributors, transporters, retailers and consumers and has the added advantage of not affecting local sensibilities and environments which most of the more formalized systems do not take into account. The CPEC faces opposition from Baluch nationalists who fear not just the economic consequences of the development of an extraction economy but also its effects on the demography and environment. Similarly, the BBIN has faced opposition in Bhutan as there is apprehension about the environmental effects of the movement of heavy vehicles along the corridors. Along most of the frontiers this informal trade is also carried out by local vehicles. In the North East for instance most of the movement happens through SUV's and mini vans and is very different from the system of container transport that these proposed corridors would ideally transit to. Most importantly plans for economic corridors tend to flatten both the physical and the political geography of the terrain through which the corridor moves. However just like each state border is different and has to be dealt with differently, each terrain is also different and the corridors have to be in sync with this diversity. Most of the economic corridors that connect through North East India also face the unresolved debate of development versus security. Transforming frontier towns into logistic hubs also remains largely on paper as the study on trade and capital in the frontier towns indicates.³⁷

There are several other regional and sub-regional projects of which India is a member. Some of these are the Bangladesh, Bhutan, India, Nepal (BBIN) sub regional initiative; the Bay of Bengal Initiative for Multi- Sectorial Technical and Economic Cooperation (BIMSTEC) with membership of Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan; East-West Corridor; and the Mekong-Ganga Cooperation Initiative. Varied interests and multiple concerns have however reduced most of these to being initiatives on paper.

Conclusions: Infrastructural logic

Logistics has thus contributed to the production of an increasingly heterogeneous arrangement of global space and time. One sign of this is the proliferation of special economic zones, concessions, industrial parks, transport hubs and other dedicated spaces, which have provided a new geography for organizing production, attracting investment and regulating the supply of labour. But logistics is something more than a system for searching out and connecting diverse firms and labour forces on the basis of cost or other parameters. Logistics also actively produces environments and subjectivities, including those of workers and labour forces, through techniques of measure, coordination and optimization. This is to say it is not simply a socio-technical system that adapts to existing economic and material conditions. As Brian Larkin writes of infrastructures more generally, they 'also exist as forms separate from their purely technical functioning' and need to be analyzed for their aesthetic and semiotic qualities. As such, they 'address and constitute subjects' and show 'how the political can be constituted through different means'. Understood in this way, logistics must be seen as a set of practices that make worlds.³⁸

Reflective of how logistics creates 'new' worlds is the projection of China as the infrastructural 'epicentre' which hinges on the mythical historical projection of China as the centre of global trade. The One Belt One Road initiative seeks to promote the notion that China through most of its history was the hub for trade and transportation both for routes radiating across Central Asia to Europe and across the seas to Southeast Asia, maritime Europe and even the eastern coast of Africa. However, as Shyam Saran argues,

China was among many countries that participated in a network of caravan and shipping routes crisscrossing the ancient landscape before the advent of European imperialism. Other great trading nations include the ancient Greeks and Persians and later the Arabs. Much of the Silk Road trade was in the hands of the Sogdians who inhabited the oasis towns leading from India in the east and Persia in the west into western China.³⁹

This mythical projection seems to have been extended to its prediction as the infrastructural hinge that brings together previously separated regions –Europe, the post-Soviet space, Central, Eastern and Southern and South Eastern Asia and the Middle East. Conceived as being part of the 'Greater Eurasian' project it is extrapolated as a binder to multifarious projects of regional co-operation and integration with the broader aim of connecting Asia to Europe through an integrated Eurasian continent. While the corridors move through various parts of Asia they converge at what is known as the MENA region (Middle East and North Africa) where the Belt joins the Road and Europe is the ultimate geographic destination of the routes. And it is this convergence that explains the rationale behind the decision of a number of European and Asian countries to join the AIIB. AIIB supports China's logistic vision of the One Belt One Road (OBOR) with the aim to bring South Asian economies closer to China, Central Asia and West Asia. As an initiative OBOR is projected as an instrument to create a continuous land and maritime zone where countries will pursue convergent economic policies, underpinned by

physical infrastructure and supported by trade and financial flows, The inclusion of people to people links is a recognition that soft power will play an important role in creating congenial political environment for sustaining the initiative. The OBOR policy document further states that the initiative is designed to uphold 'open world economy and the spirit of open regionalism', an obvious one time counter to the more exclusive and now defunct US proposed mega economic blocks the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (T-TIP). Deeper economic integration within Asia is embedded in the larger framework of China's attempt to build rail, road and port infrastructures across Central Asia, Afghanistan and Pakistan, thereby dramatically shortening cargo transport time between Asia and Europe/the Middle East and Africa. OBOR has a transcontinental (Silk Road Economic Belt) and maritime (Maritime Silk Route) component. Since much of the transcontinental route passes through areas of traditional Russian influence and regions where Russia is attempting to recreate a common economic zone in the form of the Eurasian Economic Union (EEU) there is a proposed amalgamation of China's Silk Road Economic Belt and the EEU and setting up of a dialogue mechanism which is likely to create a synergy that would cover connectivity, trade, energy and raw material production in the region.

From the Chinese perspective OBOR is projected to be a 'game changer' which will eventually transform the way in which global politics would be shaped. However one needs to recognize that China is building the new infrastructure not to be perceived as generous but to efficiently access raw materials and bring them back for manufacturing and construction and to then use export processing zones near major markets to resell them. China views the world through the lens of supply chains and the power of China's supply chain geography lies not in international alliances but ability to exploit supply and demand. The classic instance is China's relations with Russia which cannot in any sense be visualized simply as an anti-western alliance or the development of an alternative geo-political bloc. Russia has no greater threat to its territorial integrity than absorption of the entire eastern flank by China. However, Russia has land and resources and China has people and money and this along with Russian need for infrastructural rebuilding creates a relationship of complementarity and convergence of interests.

Despite these convergence, however, it is generally assumed that Asian geo-politics is witnessing a 'return of history' where contestations over territory and considerable augmentation of military power are driving security completion. "Asia is the new cockpit of great power and regional competition which will define the trajectories of the 'Asian order'" and "Asia with its history of antagonism and long standing territorial disputes as well as entrenched trust deficit offers significantly more ground for geopolitics to play out on", argues Harsh Pant.⁴⁰ In a classical sense, geopolitics is the way in which geography affects international politics or the causal relationship between political power and geographical space. In situations where 'strategic' geographical spaces overlap, for instance in the Sino-Indian dynamics where the same spatial arena is involved (Pacific Asia, South Asia, the Indian Ocean and Central Asia) it is assumed that the logic of geography creates competition.⁴¹ What runs parallel to this geopolitical narrative, however, is a spate of trade discussions, free trade agreements and regional connectivity projects that have been negotiated within the same space, whether it is the Chinese led Regional Comprehensive Economic Partnership and One Belt One Road, the

Russian led Eurasian Economic Union or the alternative Indian initiatives in the Sagar Mala project and Project Mausum. And this is the 'new normal' of global politics, though it does not essentially negate perceptions of power games altogether. Debates around the proposed Maritime Silk Road, projected as an Asian economic corridor is an example. This new 'geography of logistics' has prompted analysts like Deborah Cowen to argue that security will be re-imagined in the context of production and trade

No longer lodged in a conflict between territorial borders and global flows, national security is increasingly a project of securing supranational systems. The maritime border has been a crucial site for experimentation and a spate of new policy is blurring "inside" and "outside" national space, reconfiguring border security and reorganizing citizenship and labour rights. These programmes seek to govern integrated economic space while they resurrect borders and sanction new forms of containment. Forces that disrupt commodity flows are cast as security threats with labour action as a key target of policy. Direct connections result between market rule created to secure logistic space and the broader project of neoliberalism".⁴²

Conceptually, the up-gradation of maritime connectivity between the Indo-Pacific and extending it further to East Africa and onto the Mediterranean is consistent with India's own broader maritime economic vision. However, according to the prevalent narrative, MSR should be understood as part of a rising China's attempt to 'reorder Asia'. It is argued that China is attempting to create trade and economic relationships with the Association of Southeast Asian Nations (ASEAN) countries through trade, port and continental land bridges to countervail the United States influence and to draw the Indian Ocean Region (IOR) littorals within its sphere of influence. Chinese proposals to develop Kunming Railway that will connect China–Singapore and other countries in Southeast Asia, as also the recently commissioned oil and gas pipelines and proposed railway line connecting the Rakhine coast of Myanmar with Kunming, underscore this thinking. The MSR proposal compliments infrastructural initiatives and enables landlocked south-west China to access markets in Southeast Asia. Some analysts also locate the MSR as part of a Chinese reassurance posture to 'diffuse the tension' on China's maritime periphery after a period of uncertainty over Chinese maritime behaviour. It is also viewed as a policy to complicate the US' rebalancing strategy by 'softening' ASEAN elites renewed interest in reaching out to the US, Japan and perhaps, even India.

The Indian dilemma is as follows. The fact that China is promoting two corridors (continental and MSR) as part of its evolving regional geo-strategy and that India lies on both the Maritime Silk Route and the Southern Silk Route poses opportunities and challenges for India in light of other potentially alternative economic options via strategic partnerships with Japan and the US. For example, a refusal by India and the MSR's acceptance by ASEAN and a majority of South Asian states would leave India as an outlier and send a clear signal of India being on the wrong side of China. This is perhaps further complicated by India's own declared intent to attract massive Chinese investment capital in several industrial parks across the country. Such contradictions imply that India would take a hard look at the evolution of the MSR proposal since it cannot afford to be excluded from the emergence of a new geo-economic trend in

Asia's political economy. Analysts argue that India can, simultaneously, conceptualize other strategic options with Japan and ASEAN to present alternative regional initiatives or look for collaboration in organizations like the SCO. It is further argued that if the MSR leads to important neighbours like Bangladesh and Sri Lanka drifting into the Chinese orbit it would represent a serious setback to India's traditional conception of the subcontinent as a privileged sphere. This would mean that nearly every Indian neighbour in the IOR littoral would have strong economic ties with mainland China, making it difficult for these smaller states to resist internalizing Chinese norms for Asian security.

Nicholas Spykman once observed that 'Every Foreign Office, whatever may be the atlas it uses, operates mentally with a different map of the world'. For the modern Indian state, it was recognized from the start that India was geopolitically located at the crossroads of several sub-regions. In Nehru's words "India is situated geographically in such a way that we just cannot escape anything that happens in Western Asia, in Central Asia, in Eastern Asia or South-East Asia.". A rejuvenated China has negotiated what will probably be a decades-long process of constructing new lines of communication to the sub-regions of Asia. For China, it is incidental that India lies on the crossroads of Chinese Silk Routes. For India, however, this dynamic holds the potential to reshape its entire periphery and impact India's own role in Southern Asia calling for enhanced engagement and expanded presence. And as India becomes a part of a number of multilateral financial institutions the necessity of a closer examination of their role in global financing of infrastructural projects will assume not just geo-economic but strategic importance. As trade flows compete with military power for influence; geo-politics becomes an extension of geo-economics and infrastructural developments and institutions assume increasing significance logistical connects will move towards creating new frontiers of governance and new peripheries on the outskirts of logistical connects. It is assumed that this will eventually create a space where the distinction between the economic and the institutional, the public and the private, the national and the supranational, and the local and the global will blur or even vanish. And probably as Grappi argues, in creating its own logic it will also reshape the relationship between territory, authority and rights.⁴³

Notes and references

¹Georgio Grappi, "Logistics, Infrastructure and Governance After Piraeus: Notes on Logistical Worlds", Logistical Worlds, 04/08/2015, <http://logisticalworlds.org/blogs/logistics-infrastructure-and-governance-after-piraeus-notes-on-logistical-worlds>.

²Mark Beeson, "Geopolitics versus geoeconomics: the new international order", <http://theconversation.com/geopolitics-versus-geoeconomics-the-new-international-order-38824>, March 14, 2015 (accessed 3 February 2017)

³ In fact American concerns and displeasure at the UK joining AIIB has been noted in a number of articles. See for instance Nicholas Watt, Paul Lewis and Tania Branigan, "US Anger at Britain Joining Chinese led Investment Bank AIIB", The Guardian, 13 March 2015.

⁴ AIIB was created with the intention of bridging the gap in infrastructural funding in Asia. However, despite global membership, the AIIB remains a Chinese bank. While China has 30% shares in AIIB, India has 8%, Russia 6% and few countries have more than 2-3% including UK, Germany, Australia. The 'equitable economic order' that the bank proposes as an alternative in the Asia Pacific region requires examination.

⁵Parag Khanna, *Connectography: Mapping the Future of Global Civilization*, (New York: Random House 2016), Chapter 8, Kindle version

⁶ Khanna argues, for instance that it was the closing of the Bosphorus to military transit and the deteriorating Syrian crisis that led to the Russian decision to invade Crimea as much as Ukraine's policy to join the European Union.

⁷ Ned Rossiter, *Software, Infrastructure, Labor: A Media Theory of Logistical Nightmares*, New York: Routledge, 2016, p 156.

⁸See Gearoid O Tuathail and Timothy W Luke, "Present at the (Dis) Integration: Deterritorialization and Reterritorialization in the New Wor(l)d Order", *Annals of the Association of American Geographers*, Vol 84 No 3, September 1994 pp 381-398, who borrow the terms from the work of Gilles Deleuze and Felix Guattari who develop an understanding of capitalism and state power as forces which simultaneously seek to produce rigid identities and assert fixed geographies

⁹ P Taylor (ed) *Political Geography of the Twentieth Century, A Global Analysis* (1993) cited in Tuathail and Luke.

¹⁰ From Prseident Xi's keynote address at the 2017 World Economic Forum cited from Zheping Huang, "Chinese President Xi Jinping has vowed to lead the New World Order", 22 February 2017, <https://qz.com/918533/the-new-world-order-china-is-now-germanys-largest-trading-partner/> . See also Kamran Yousaf, "China Striving for New World Order", *The Express Tribune*, 26 February 2017, tribune.com.pk/story/1269745/clearing-air-china-striving-new-world-order/.

¹¹ Historically, the evidence of relationship between transnational infrastructure and integration is to be found in the 'making' of Europe. European states have had a century long history of mitigating problems resulting from cross border infrastructure use, even during times of conflict, in institutions like the Central Commission on the Navigation of the Rhine and various railway bodies. (For a detailed discussion read A Badenoch and A Fickers (eds), *Materializing Europe: Transnational Infrastructures and the Project of Europe*, Palgrave Macmillan, 2010) This makes sense in the Asian context today with the anticipation that developmental aims propelled by logistical connects would reduce geopolitical compulsions or that despite these compulsions development driven projects would continue to function.

¹² See details of the discussion in Eshe Nelson, "The New World Order: China is now Germany's Largest Trading Partner", 24 February 2017, <https://qz.com/918533/the-new-world-order-china-is-now-germanys-largest-trading-partner/>

¹³ See for instance "Chile, Peru to join China-led trade partnership", *The BRICS Post*, November 21, 2016.

¹⁴ See R Stubbs and G Underhill (eds) *Political Economy and the Changing Global Order*, London: Macmillan, 1994.

¹⁵ Brian White, Richard Little and Michael Smith (eds) *Issues in World Politics*, London: Macmillan, 1997.

¹⁶ Shirin Akiner, "The Shanghai Cooperation Organization: A Networking Organization for a Networking World", *Global Strategic Forum*, June 2010, www.globalstrategyforum.org.

¹⁷ "After BRICS Putin holds Shanghai Cooperation Organization Summit in Ufa", RFE/RL, July 10, 2015

¹⁸ Galiya Ibragimov, "What are the implications of India's and Pakistan's accession to the SCO?" July 13, 2015 <http://www.russia-direct.org/debates/what-are-implications-indias-and-pakistans-accession-sco>

¹⁹ Catherine Putz, "Uzbekistan's Karimov Out Talks Putin in Moscow", *The Diplomatist*, April 28, 2016,

²⁰ Cited from M. K. Bhadrakumar, "India's SCO membership Comes with Caveats", *India Punch line* (Reflections on Foreign Affairs) April 25, 2016, <http://blogs.rediff.com/mkbhadrakumar/2016/04/25/indias-sco-membership-comes-with-caveats/>

²¹ Cited from Konstantin Zavrzhin, "The RIC, 'Core' of BRICS Meets in Moscow", *Russia and India Report*, 20 April 2016.

²² Zhou Fangyin, "New Delhi may get dragged into tussles", *Global Times*, April 24, 2016.

²³ Bhadrakumar, "India's SCO membership Comes with Caveats".

²⁴ "Take the plunge: Entry to SCO opens up opportunities for India to look North" *Times of India*, June 12, 2017, <http://blogs.timesofindia.indiatimes.com/toi-editorials/take-the-plunge-entry-to-sco-opens-up-opportunities-for-india-to-look-north/>

²⁵ S Akbar Zaidi, "Can China Take Over Pakistan" at a lecture organized by Calcutta Research Group and Rosa Luxemburg Stiftung, Kolkata 9 June 2017 which is part of their project on A Social Mapping of Infrastructure, Logistics and India's Look East Policy.

²⁶“Realism in Central Asia: Advantages and disadvantages to SCO membership”, *Business Standard Editorial Comment*, July 13, 2015. Also for the membership to be useful, India would have to take a constructive approach rather than pushing anti- terrorism as an agenda with the obvious intention of pointing towards Pakistan. There also remains the criticism that beyond meeting annually and the creation of RATS, nothing constructive has come out of the SCO. Of course SCO meetings could provide a neutral ground for bilateral engagement and participation with new levels of intelligence sharing and development of counter terrorism strategy. However, this itself could become problematic in certain situations where India could consider its security to have been compromised by other members of the SCO. The fact that the core of the SCO would remain Russia and China and the two official languages of the SCO remains Russian and Chinese, despite expansion is also significant in terms of SCO members’ attitude towards expansion. See also Raffaello Pantucci, “India and the SCO: the real benefit”, Gateway House, 9 July 2015

²⁷Su-Mei Ooi and Kate Trinkle, “China’s New Silk Road and Its impact on Xinjinag”, *The Diplomat*, March 5, 2015.

²⁸Giorgio Grappi, “Corridors as political discourse? Decoding the language of logistical governance” unpublished paper

²⁹Giorgio Grappi, “Corridors as political discourse? Decoding the language of logistical governance”

³⁰ Probir De and Kavita Iyenger (eds) *Developing Economic Corridors in South Asia*, Asian Development Bank 2014, (Foreword) p v

³¹ *Report: Economic Corridors*, October 9, 2013, Brookings, <https://www.brookings.edu/research/economic-corridors/> accessed 14 July 2017.

³² Praddep Srivastava, “Regional Corridors Development in Regional Co-operation”, Manila: Asian Development Bank, No 258, May 2011.

³³ Patricia Uberoi, “The BCIM Economic Corridor: A Leap into the Unknown”, Working Paper, Institute of Chinese Studies Delhi, November 2014.

³⁴ Uberoi, “The BCIM Economic Corridor: A Leap into the Unknown”.

³⁵ Minutes of the First Meeting of the Joint Study Group, 18-19 December 2013, at: <http://www.indianembassy.org.on/newsDetails.aspx?Newsid=455>, cited from Uberoi, “The BCIM Economic Corridor: A Leap into the Unknown”.

³⁶ For details see Table 5.1 in Hu Xiaowen, “BCIM and OBOR”, in Srikanth Kondapalli and Hu Xiaowen (eds) *One Belt One Road, China’s Global Outreach*, New Delhi: Pentagon Press, 2017 pp 162-164.

³⁷ Snehasish Mitra and Soma Ghosal, “Trade, Capital and Conflict: Frontier Towns of Northeast India and Myanmar A Case Study of three frontier towns: Moreh-Tamu and Champhai” unpublished paper presented at CRG RLS workshop on A Social Mapping of Infrastructure Logistics and India’s Look East Policy, 6 September 2017.

³⁸ From *Logistical Worlds: Infrastructure, Software, Labour*, No 1, November 2014, http://logisticalworlds.org/wp-content/uploads/2015/04/535_UWS_Logistical-Worlds-digest-2014-v10-WEB.pdf

³⁹ Shyam Saran, “Is a China Centric World Inevitable?-Analysis” July 26, 2017 Yale Global Online <http://yaleglobal.yale.edu/content/china-centric-world-inevitable>

⁴⁰ Harsh V Pant and Ritika Passi, “Finding Asia: Debating Order, Entity and Leadership”, *Raisina Files: Debating the World in the Asian Century*, Volume 2, January 2017 p 4.

⁴¹ See for instance, David Scott, “The Great Power ‘Great Game’ between India and China: The Logic of Geography”, *Geopolitics*, Vol 13, No 1, 2008, pp 1-26.

⁴² Deborah Cowen, “A Geography of Logistics: Market Authority and the Security of Supply Chains”, *Annals of the Association of American Geographers*, Vol 100, No 3 July 2010, pp 600-620.

⁴³Giorgio Grappi, “Corridors as political discourse? Decoding the language of logistical governance”.