



Q (https://www.facebook.com/ameinfo) (https://www.linkedin.com/company/ame-info) (http://ameinfo.com/feed/)

# Neoglobalization, China's Silk Road and the Middle East

October 13, 2017 1:00 pm

globalization%2C+China%E2%80%99s+Silk+Road+and+the+Middle+East) (http://twitter.com/intent/tweet?road-middle-east) (https://plus.google.com/share?url=http://ameinfo.com/money/economy/neoglobalization-chinas-silk-road-middle-east/) (http://ameinfo.com/money/economy/neoglobalization-chinas-silk-road-middle-east%2F&title=Neoglobalization%2C+China%E2%80%99s+Silk+Road+and+the+Middle+East&summary=By%3A+Prof.+Dr.+M.+S.+S.+El-Namaki+over+the+past+few+decades%2C+is+becoming+opaque.+Foundations+established+most+notably+during+the+Reagan+era%2C+including+%E2%80%A6+source=) ol of Management, Switzerland The concept of globalization, as known over the past few decades, is becoming opaque. Foundations established most notably



By: Prof. Dr. M. S. S. El-Namaki- Dean, Victoria University, School of Management, Switzerland

The concept of globalization, as known over the past few decades, is becoming opaque. Foundations established most notably during the Reagan era, including free markets, open economies, small governments, private initiative and corporate dominance, are losing coherence.

The ongoing shift in economic growth diverts away from manufacturing and services towards disruptive technologies, as much as the gradual shift in economic drive away from Western economies towards China and its environs, have hastened the blur. Politics in the United States echoed protective noises and Brexit followed.

One Belt One Road Initiative (BRI) took shape.

### **BRI and neoglobalization**

The BRI framework was first made known by President Xi Jinping in October 2013. Fine details followed and the most authoritative statements are the statements made by the State Council, where the Council stresses the search for “[...] a multipolar world, economic globalization, cultural diversity and greater IT application”.

The State Council goes further to explain that the initiative is designed to “uphold the global free trade regime and the open world economy in the spirit of open regional cooperation”. In the process, BRI would promote connectivity of Asian, European and African continents, align development strategies, tap market potentials, promote investment, enhance consumption, stimulate demand, induce job creation and encourage cultural exchange (Inaugural Belt and Road Summit; May 18<sup>th</sup>, 2016).

**Read: UAE seeking to boost trade and investment ties (<http://ameinfo.com/money/economy/uae-seeking-boost-trade-investment-ties/>)**

To appreciate the magnitude of this initiative, one has to realize that BRI covers nearly a quarter of global trade (\$7.2 trillion in 2016), that BRI member countries produce a near 55 per cent of global economic output, represent 70 per cent of the world’s population and possess an estimated 75 per cent of known energy reserves.

BRI will have far reaching implications. One of those is to make China the center of global economic gravity and create a serious potential of changing global geopolitical configuration. A more significant consequence, however, is the emergence of a new template for cross country exchange or globalization.

BRI premises are creating what we may call neoglobalization or a novel template for cross country multi-functional exchange.

This one is built on novel dimensions largely ignored in yesterday’s globalization. Prime among those is the inclusion of all factors of production, including human resources in the process, the adoption of a cross country dynamic synergy dimension, the introduction of infrastructure investment pivot, the initiation of new capital market instruments and institutions, the inclusion of an economic development component, an integration of an international organization drive and, last but not least, a strong element of political empathy.

BRI-inspired neoglobalization will mark the emergence of a new era in cross country economic, social, technological and political exchanges. Trade flows, capital market institutions and instruments, logistic infrastructures, technology hubs and telecommunication vehicles will all assume a new profile.

But where does that leave the Middle East?

**Read: Dubai’s non-oil foreign trade reached AED327 billion in Q1 2017 (<http://ameinfo.com/money/economy/dubais-non-oil-foreign-trade-reached-aed327-billion-q1-2017/>)**

### **BRI and the Middle East**

BRI-inspired neoglobalization template is a central aspect of China's strategy to expand its reach and influence throughout the structurally attractive Middle East market.

The promise of no strings attached infrastructure financing and the reciprocal flow of energy will provide the pivot of neoglobalization in the Middle East. Chinese companies feature heavily in construction work, carried out within Egypt's new capital. The UAE, a founding member of The Asian Infrastructure Investment Bank (AIIB), is building a new Middle East logistics hub along the BRI route. As for energy, China is and will continue to be the world's largest importer of energy, with The Gulf Cooperation Council (GCC), Iran, and Iraq providing 60 per cent of today's imports and a lot more of future ones. (Middle East Institute, August 2017)

Future developments are likely to see this narrow framework expand to include an expanded trade. The Chinese are negotiating a free trade zone with the GCC and have already established one with Egypt.

**Read: Why is Egypt's non-oil business going from bad to worse?** (<http://ameinfo.com/money/economy/why-is-egypts-non-oil-business-going-from-bad-to-worse/>)

**Other players**

BRI will have implications for several other Middle East players too. The China-Central West Asia Economic Corridor has Iran as one of its end points, connecting the two states through a multiple of infrastructure investment projects.

Turkey also features prominently in the BRI by being the endpoint in the China-Central West Asia Economic Corridor. A high-speed joint Chinese-Turkish cross Turkey railway was recently completed setting an example for things to come (Washington Post; June 21<sup>st</sup>, 2017).



Previous Story

(<http://ameinfo.com/transportation/show-true-colors-buying-car-truck/>)

Transportation (<http://ameinfo.com/transportation/show-true-colors-buying-car-truck/>)

**Driving the right colour car for your personality?**

(<http://ameinfo.com/transportation/show-true-colors-buying-car-truck/>)

Tags: BRI (<http://ameinfo.com/tag/bri/>) car-truck (<http://ameinfo.com/tag/car-truck/>) CHINA (<http://ameinfo.com/tag/china/>)



Next Story

(<http://ameinfo.com/travel/merging-emirates-etihad-nonsense/>)

Travel (<http://ameinfo.com/travel/merging-emirates-etihad-nonsense/>)

**Why merging Emirates and Etihad is 'nonsense'?**

(<http://ameinfo.com/travel/merging-emirates-etihad-nonsense/>)

Tags: ROUTES SILK ROAD (<http://ameinfo.com/tag/routes-silk-road/>) nonsense (<http://ameinfo.com/tag/nonsense/>)

**By AMEinfo Staff**

AMEinfo staff members report business news and views from across the Middle East and North Africa region, and analyse global events impacting the region today.

 (<http://www.facebook.com/sharer/sharer.php?u=http://ameinfo.com/money/economy/neoglobalization-chinas-silk-road-middle-east&title=Neoglobalization%2C+China%E2%80%99s+Silk+Road+and+the+Middle+East>)  (<http://twitter.com/intent/tweet?status=Neoglobalization%2C+China%E2%80%99s+Silk+Road+and+the+Middle+East+http://ameinfo.com/money/economy/neoglobalization-chinas-silk-road-middle-east/>)

 (<https://plus.google.com/share?url=http://ameinfo.com/money/economy/neoglobalization-chinas-silk-road-middle-east/>) 

(<https://www.linkedin.com/shareArticle?mini=true&url=http%3A%2F%2Fameinfo.com%2Fmoney%2Feconomy%2Fneoglobalization-chinas-silk-road-middle-east%2F&title=Neoglobalization%2C+China%E2%80%99s+Silk+Road+and+the+Middle+East&summary=By%3A+Prof.+Dr.+M.+S.+S.+El-Namaki-%C2%A0Dean%2C+Victoria+University%2C+School+of+Management%2C+Switzerland%0D%0A%0D%0AThe+concept+of+globalization%2C+as+known+over+the+i>)

 (mailto:?subject=Neoglobalization, China's Silk Road and the Middle East&body=By: Prof. Dr. M. S. S. El-Namaki- Dean, Victoria University, School of Management, Switzerland The concept of globalization, as known over the past few decades, is becoming opaque. Foundations established most notably during the Reagan era, including ...)

**AMEinfo EXPERTS**



(<http://ameinfo.com/expimeland-gjesme/>)  
Marit Imeland Gjesme  
(<http://ameinfo.com/experts/m>

(<http://ameinfo.com/experts/maritimeland-gjesme/>)



Money Matters

1 / 3

ALL EXPERTS (<http://ameinfo.com/experts/>)

## Recommended for you



Saudi Arabia faces \$6bn U.S. lawsuit by September 11 attacks insurers

(<http://ameinfo.com/money/economy/saudi-arabia-faces-6bn-u-s-lawsuit-september-11-attacks-insurers>)



BlackBerry is back. But can it survive?

(<http://ameinfo.com/it-2/blackberry-back-can-survive/>)



Fully furnshred apartments from 4500 AED, meet us at on the 28th and 29th

EVDanubeResortz

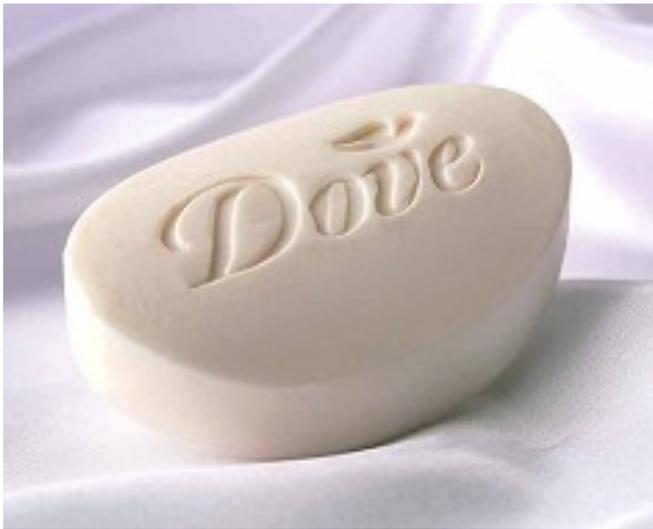
([http://www.squareyards.com/micro/danube-resortz-event-in-dubai?source=DTJwUH4gXI3nG4CzxBf1Cw%3D%3D0n/?ad=EVDanubeResortz-Dubai-Dubai-Dubai-DigitalContent-Postquare-NA-Display-Content-GS-IPMInternational&utm\\_source=Postquare&utm\\_medium=Disq](http://www.squareyards.com/micro/danube-resortz-event-in-dubai?source=DTJwUH4gXI3nG4CzxBf1Cw%3D%3D0n/?ad=EVDanubeResortz-Dubai-Dubai-Dubai-DigitalContent-Postquare-NA-Display-Content-GS-IPMInternational&utm_source=Postquare&utm_medium=Disq))



Golf Course View Residences starting just AED 499,000

Damac Hills Vita.

(<https://www.squareyards.com/micro/damac-golf-vita-in-dubai?source=T8W6xlm95b9XjhWaskn8mQ%3D%3D0n>)



It's not just Dove that got it wrong with ad campaigns

(<http://ameinfo.com/media-and-marketing/marketing/not-just-dove-got-wrong-ad-campaigns>)

In which country do visitors spend the most?

(<http://ameinfo.com/money/economy/country-visitors-spend/>)

Recommended By  ([//www.postquare.com](http://www.postquare.com))



Contact (<http://ameinfo.com/contact/>) About AMEinfo (<http://ameinfo.com/about-ameinfo-com/>) Advertising (<http://ameinfo.com/advertising/>)  
Terms & Conditions (<http://ameinfo.com/terms-and-conditions/>) Privacy Policy (<http://ameinfo.com/privacy-policy/>)  
Featured Site (<http://ameinfo.com/featured-site/>) Site Map (<http://ameinfo.com/site-map/>)

© 1996-2017 Mediaquest FZ LLC, A media and entertainment company  
Middle East main office | [info@mediaquestcorp.com](mailto:info@mediaquestcorp.com) (<mailto:info@mediaquestcorp.com>)  
© 2017 Dubai Business | AMEinfo. All rights reserved.



**Mediaquest titles**

ameinfo.com ( <a href="http://ameinfo.com/">http://ameinfo.com/</a> )	saneoualhadath.com ( <a href="http://saneoualhadath.com/">http://saneoualhadath.com/</a> )	communicateonline.me ( <a href="http://communicateonline.me/">http://communicateonline.me/</a> )	haya-online.com ( <a href="http://haya-online.com/">http://haya-online.com/</a> )
marieclairerabia.com ( <a href="http://marieclairerabia.com/">http://marieclairerabia.com/</a> )	buro247.com/me ( <a href="http://buro247.com/me/">http://buro247.com/me/</a> )	gulfmarketingreview.com ( <a href="http://gulfmarketingreview.com/">http://gulfmarketingreview.com/</a> )	trendsmena.com ( <a href="http://trendsmena.com/">http://trendsmena.com/</a> )

2017 Mediaquest Corp. All rights reserved. Reproduction of news articles, photos, videos or any other content in whole or in part in any form or medium without written permission from Mediaquest Corp. is prohibited.