

Event Report

**Xinjiang's Socio-Economic Development:
The Role of OBOR**

EIAS Briefing Seminar

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Located at the intersection of Central, South and East Asia, Xinjiang Uyghur Autonomous Region is China's largest administrative division but also one of its most sparsely populated. It is a region facing diverse challenges, but is also home to encouraging potential. Xinjiang is the ancestral home of the Uyghur ethnic group, one of China's recognized minorities who primarily practice Islam and speak the Uyghur language. Development indicators including per capita income and access to state services are much lower in the region than the national average, and its geographic isolation and heightened security concerns have restricted progress. Despite this, positive growth rates in the region over the past decade, increased infrastructure investment, and better efforts by the central government to preserve Uyghur culture and guarantee rights offer potential avenues for sustainable progress.

China is currently in the process of rolling out its extensive One Belt One Road (OBOR) development initiative, multiple sections of which will run through Xinjiang to connect the entire country to Turkey, Western Russia, Pakistan and beyond. In this way, Xinjiang has become something of a geographic lynchpin for economic connectivity across Eurasia, and thus demands increased attention from the international community. The entire OBOR initiative promises to have huge implications for China's trade relationships and regional influence.

Opening Remarks by Mr Xavier Nuttin, Senior Associate, EIAS

Mr Xavier NUTTIN, Senior Associate and EIAS, welcomed a diverse panel from a variety of Chinese and Belgian institutions and introduced the dual focus for the day's event: China's Belt and Road Initiative, and the development of Xinjiang Autonomous Region.

The first of those topics, the One Belt One Road initiative (OBOR), refers to an ongoing infrastructure and connectivity initiative that will connect China both physically and through investment to its neighbors and to many countries across Eurasia and beyond. This series of projects, announced in 2013, represents projects currently valued at USD 890 billion and with an expected total investment of around USD 4 trillion on the part of China. Mr NUTTIN first emphasized the enormous development potential for countries and regions hosting both the "Silk Road Economic Belt" and the "Maritime Silk Road". Secondly, he posited several speculated domestic reasons for China's introduction of OBOR, including the need to reduce the pressure of overproduction by increasing export opportunities and ambition to create the geopolitical conditions conducive to the reinforcement of the country as the dominant regional power.

Mr NUTTIN then introduced the second topic for discussion, the future development of Xinjiang Autonomous Region, referred to as Xinjiang, a relatively remote and semi-independent area in Western China. Xinjiang is home to the Uyghur minority, about 25 million in number, who are ethnically Turkic, traditionally Muslim, and have other significant cultural and linguistic characteristics that separate them from the Han Chinese majority group. The region has suffered from sociopolitical problems associated with Uyghur separatist groups who claim abuse of freedom of religion and cultural repression at the hands of the central government. In addition, an influx of migrants from the Han ethnic group has caused tension, as there is pressure for Uyghurs to assimilate and as inequalities between the two groups becomes evident.

Mr NUTTIN linked the two topics, as Xinjiang is geographically central to several initiatives under OBOR, saying that the region has the chance to revive its prosperity enjoyed during the historic Silk Road.

Keynote Address: Mr Xing Guangcheng, Professor and Director of the Research Center for Chinese Borderland History and Geography, Chinese Academy of Social Sciences (CASS)

Mr XING began by focusing his speech on Xinjiang's place within the Belt and Road Initiative, and then by extension the potential of BRI to address development problems within and around China. Within Xinjiang itself, he identified the primary development challenge as one relating to security. As BRI invests in infrastructure and development projects, these actions must be bolstered by regional cooperation, which is the key to development success. Mr XING referenced three regional plans that preceded BRI and had similar goals, but for a variety of reasons did not completely succeed in their endeavors. The EU/NATO eastern expansion, Eurasian Economic Union, and US Western Silk Road were all hampered by conflicts of interest such as the Ukraine Crisis and Russia's dominant role in the region. China hopes to develop true Eurasian cooperation through BRI by promoting inclusivity and avoiding the mismatches that have prevented success in other agreements. Mr XING stated that it is easy to label BRI as a purely geopolitical tool for

China, but it is really more of a development tool, and shouldn't be confined to "fixing China's over-production." The EU may also be an important strategic partner for trade and economic cooperation both within the context of BRI and beyond.

Xinjiang plays a very important role on the Silk Road Economic Belt section of BRI, and will be key in development initiatives across large areas of the Eurasian continent. Within BRI's six corridors, four of them cut through the Xinjiang Autonomous Region. Mr XING was of the opinion that this increased visibility and responsibility will galvanize Xinjiang to be more open and more receptive to development. He then brought up several stability issues that have come to light in Xinjiang in the process of its development, most prominently due to violence and terror stemming from religious extremism. Along the Silk Road Economic Belt there are a number of instability factors; Europe has faced similar problems, which shows that these instabilities are not isolated.

Mr XING asserted that academics must discuss how to face an increasingly complicated international environment that is further complicated by terrorism, and how to eradicate and wipe out these extremist forces. The regional government of Xinjiang and the Chinese central government have both introduced a set of measures to combat extremism, including targeting terrorism as a force that is not exclusive to or associated with the Uyghur ethnic group. Mr XING reiterated that the government opposes extremism, not a certain religion, and only religion when its ulterior motives are to commit anti-social and anti-humane activities in the name of Islam. To make Xinjiang's role in the Silk Road Economic Belt a success, more collaboration and discussion is needed to face the unconventional risks in the area. He emphasized the diversity of the Chinese delegation at the event, which included experts from various institutions of higher learning across China representing Xinjiang, the Uyghur minority, and other areas of the country.

Panel Discussion

Mr Yang Shengmin, Professor, Central University for Nationalities

Mr YANG expressed disagreement with the assertion that BRI is either a geopolitical tool or a mechanism for China to relieve itself of its overproduction. Mr YANG stated that China is a massive country with an outsized effect on the areas and peoples around it, and so when it creates a policy, it is not targeted only at itself, but the entire region. Thus, it would be a mistake to view BRI merely in the context of a singular domestic concern like product surpluses. He recalled that during the Cold War, China was excluded from the bipolar relationship between the US and the Soviet bloc, and thus even then began to try to unite the "second world." In a way, that work continues now with the BRI as it works for regional connectivity. Mr YANG reiterated further speculated that if stability in the region is preserved, the projects of the BRI could continue for the next century.

Speaking to the topic of the Xinjiang region, Mr YANG focused on the demographic changes that have occurred, and misconceptions associated with them. In the 1940s, the region was strongly dominated by the Uyghur ethnic minority, and while their proportion of the population has since decreased, they still outnumber the Han (who are the largest ethnic group in China). He further stated that Uyghurs have one of the fastest population growth rates of all ethnic groups in China, and that the increase of the Han population in Xinjiang has not disrupted the Uyghurs. Historically, Xinjiang has been split into a northern and a

southern area, and the Mongolian ethnic group dominated the northern area until the 18th century. The Uyghurs are concentrated in the south of Xinjiang near the desert, and are a largely agrarian group. Mr Yang asserted that 90 percent of Uyghurs still live in the south while the Han largely live in the north, and thus the relative growth of either group does not affect the other. He further stated that Xinjiang has a land area roughly three times as large as France with only 23 million residents, so there is more than enough space for all ethnic groups to develop.

Mr Ma Pinyan, Professor, Xinjiang Academy of Social Sciences

Mr MA addressed two topics; firstly freedom of religion in Xinjiang, and secondly the prevention and elimination of religious extremism in the region. He emphasized that religious freedom is a basic right to which all human beings are entitled, and is thus a right that the Chinese government takes very seriously. According to him, policies to protect religious freedoms have been well implemented across China's history, and all levels of government in Xinjiang strictly follow the constitution to protect and respect people's right to freedom of belief. He stated that no particular group in Xinjiang has been mistreated or treated unequally due to their religious beliefs. The Chinese government has issued regulations on the management of religious affairs, and the same regulations also exist at the Xinjiang regional government level (which is semi-autonomous from the central government). Incidents that violate these rights are dealt with equally in accordance with the law. Additionally, he asserted that all religious groups are viewed equally, and illegal religious activity is dealt with completely. Mr MA also spoke of the efforts of the government to cater to the needs of religious groups, including by supporting training facilities for religious leaders such as the Xinjiang Islamic Institute.

Mr MA stated that religious extremism, violence, and terror are the common enemy of the whole world, and concluded that the high rate of extremist incidents in Xinjiang has adversely affected religious freedoms in the region. Beginning in 2014, the government initiated a campaign to "strike hard" against terrorism and to de-radicalize the entirety of Xinjiang. Mr MA stressed that through this campaign and through all anti-terror initiatives, culprits are not associated with people of any certain ethnic group. Additionally, he spoke of the importance of educating the general public about the disconnect between Islam as a faith and violence committed in the name of Islam. Extremism has damaged the harmony of religions practiced in Xinjiang and has caused conflict within the Muslim community. He stated that while all the perpetrators of terrorist acts are of Uyghur ethnicity, they do not represent the Uyghur ethnic group as a whole. He also concluded that the government's efforts to end religious extremism have been well-received by the people of Xinjiang, and as a result of these efforts, incidents of terror and violence have been on a gradual decline in recent years.

Mr Dimulati Aomaier, President, Ethnology and Sociology Institute, Xinjiang Normal University

Mr AOMAIER first reviewed the recent history of the region, which he said was peacefully liberated by China upon the country's founding in 1949. Indeed, he asserted that Xinjiang's liberation was smoother than that of other provinces in western China, and that before this liberation, Xinjiang had no culture, education, medical, or industrial basis. The Chinese government established the "Regional Ethnic Autonomy Policy," which initiated

development measures in the region, and which Mr AOMAIER credited with the best period of development for Xinjiang. A full system of education was established for Uyghur and Kazak students from primary school through post-grad higher education, and also allowed for Xinjiang students to study all across China's inland areas.

Mr AOMAIER recalled that during his time at university, one of his classmates (also born and raised in Xinjiang) had a higher income than their professor. This illustrated that in the period after Xinjiang's absorption into the People's Republic of China, Xinjiang enjoyed relative prosperity. At the point when Deng Xiaoping "opened" China in 1978, Xinjiang had some industrial development, but other parts of China (particularly the coastal regions) were given higher priority, and Xinjiang began to lag behind. This negative trend began to change as China introduced its western development strategy. During the first and second central conferences on Xinjiang's development, targets were set for the region and Xinjiang was partnered with provinces from central and eastern China to assist in its development. In total, RMB 2 trillion has been allocated for investment in Xinjiang.

In terms of its geography, Xinjiang is split along a north-south divide over a mountain ridge, with northern Xinjiang more suitable to agriculture. He explained that the south is much more sparsely populated, in part due to a harsher environment. Despite this, the government has recently implemented a compulsory 15-year education plan in the four prefectures of the southern area of Xinjiang. Bilingual education in Uyghur and Mandarin Chinese has become the norm, and while once misunderstood by the population, Mr. AOMAIER stated that it has become much more accepted and even embraced.

He concluded by saying that BRI is another important stage for Xinjiang's development, and will bring massive levels of investment to the region. He asserted that the common consensus is that chaos brings no development, and all ethnic groups aspire to have more stable conditions for their own betterment. Extremism does not represent Islam in Xinjiang, but rather has taken hostage of Islam and the Uyghur people and their development.

Prof. Dr Ching Lin Pang, Associate Professor, University of Antwerp and KU Leuven

Dr PANG began her expose by quoting Article 132 of the People's Republic of China Constitution, which allocates financial and technical assistance to ethnic minorities to accelerate their cultural development. Since the 1980s, China has implemented preferential policies in minority communities; for example, Uyghur people are not subject to the "one child policy" that limits most Chinese families to a single child. Another prominent example is in recruitment policies for government jobs, where there are theoretically quotas for the number of employees from disadvantaged ethnic minorities, although this has been less successful as it is not always well enforced.

Whether or not preferential policies have been successful, Dr PANG concluded that they have not alleviated or undone ethnic tensions. The 1990s saw an increase in ethnic consciousness, which occurred just as Xinjiang was undergoing its period of most rapid development and resulted in an increase in tension as well. Xinjiang's capital, Ürümqi, saw a large influx of Han Chinese, which resulted in more segmentation and stratification of ethnic groups with the Uyghur population very frequently at the bottom of the pecking order. Inequality between Han and Uyghur peoples is still growing, a phenomenon that Dr PANG attributes to segmentation in the labor market and privatization as the region

continues its transition from a socialist to a market economy. The ironclad Han social network also preserves systematic inequality as it blocks Uyghur upward mobility. Mutual negative perception from both groups is increasing, leading to the so-called “Xinjiang problem.”

Dr PANG concluded that Europe and China face similar challenges in regards to ethnic and religious minorities, migrants, and other segregated groups. However, she determined that China has responded better to the situation in some regards, particularly within universities, to promote diversity and acceptance.

Mr Bernard Dewit, Chairman, Belgian-Chinese Chamber of Commerce

Mr DEWIT began by highlighting the similarities between Xinjiang region and Europe, Belgium, and Brussels. He stressed the diversity of cultures, languages, and traditions found in each, and the benefits that this diversity has both economically and socially.

Regarding the role that Xinjiang plays in OBOR, Mr DEWIT expressed surprise at how unknown the region is within the international relations community in Europe as Xinjiang clearly has so much to offer and will be such a key aspect of one of the world’s largest infrastructure initiatives. He agreed with speakers from the Chinese delegation that OBOR is not just a mechanism to deal with trade surplus, but is much more than that, and has huge potential as a development tool for countries across the continent.

As a representative of the Brussels business community, Mr DEWIT spoke about the potential that Xinjiang has for businesses in China and across Europe, and concluded that this potential would grow if only relevant actors in the EU were more aware about the region and what it has to offer. He told an anecdote from his role as Chairman of the Belgian-Chinese Chamber of Commerce; while planning a tour of Xinjiang for Belgian business leaders, he suddenly found it very difficult to register attendees as many had become reluctant to travel to the region because of its reputation for instability and as the devastating terrorist attacks on the Brussels airport and metro had just occurred, which made many people “hyper-aware” about security issues. Mr DEWIT commented that stability is an ongoing issue for both Xinjiang and Belgium, and while a disadvantage for both, can provide common ground and understanding as both areas tackle their challenges.

Dr Duncan Freeman, Research Fellow, EU-China Research Centre, College of Europe

Dr FREEMAN opened his remarks with mention of his two visits to Xinjiang, first in 1986 and then in 2014, which allowed him to attest to the incredible changes that have taken place in the region over the roughly thirty-year period. He then offered his reaction to some of the previous presentations from the panel, particularly in regards to Xinjiang’s development through its role in OBOR. He argued that expectations and the perception of the BRI must be carefully managed. For Europeans and people outside of China, there is a great deal of discussion as OBOR’s meaning for China and the rest of the world is picked apart, which results in a variety of interpretations. What is certain is that within OBOR, Xinjiang is quite central, and its role in the initiative automatically makes it of international concern, as OBOR itself is a completely global interaction with the only major country not involved being the United States. In a brief aside, Dr FREEMAN commented that the

unpredictability of the Trump administration means that perhaps one day the US will indeed be a part of OBOR. He went on to characterize OBOR as a boon for development for the entire western area of China, so that the success of eastern China can spread.

Dr FREEMAN came to the conclusion from the previous presentations that the idea of development in Xinjiang is related to the problems of Xinjiang, religious, ethnic or otherwise. Development will play a central role in solving the problems in the region for the government at all levels. However, he questioned the perhaps outsized expectations for the immediate impact of OBOR on Xinjiang's development, and suggested that it be considered only as one of many solutions to the region's challenges. To emphasize this point, he related Xinjiang's situation to that of Northern Ireland, where he was raised before The Troubles. Decades of violence between Protestants and Catholics, often perpetrated by separatists and terrorist groups, were largely resolved by diplomatic means as well as trade and economic measures that greatly raised the standard of living in the country. However, despite the success of development measures, fierce divisions still exist in Northern Ireland and have a serious impact on everyday life. Dr. FREEMAN concluded that the international community must be very careful about the expectations that come from the idea of development and the assumption that the successful implementation of OBOR can resolve all of Xinjiang's problems.

Q&A Session

A representative from the European Parliament remarked that during past visits to Xinjiang, she had observed many Turkish and Malaysian products in local markets, as well as many traditional Uyghur crafts that reflected the common sense of design throughout Turkic peoples throughout Central Asia. She asked what measures might be part of OBOR to use or develop the potential of the Uyghur people to connect to other markets and other countries. She further remarked that minority policy often focuses on religion and security, but that a positive aspect related to an ethnic group's entrepreneurial spirit might connect communities in China more effectively.

Another audience member recalled his visit to Xinjiang from his native Pakistan. In early 2000, Xinjiang had a regional office in Islamabad, and had begun a campaign to market the regions industrial capacity to Pakistan long before the advent of OBOR. He described three industrial zones in Xinjiang that developed separately from OBOR, and asked if any of the speakers knew of the fate of these zones, or if OBOR would impact the region's industrial capacity.

A resident of Xinjiang asked how to balance local government initiatives for development with security measures to ensure the progress of the entire region. She noted that Xinjiang hasn't enjoyed the development of other areas of China after the 1978 "opening". She also described different sections of Xinjiang, all of which have different population densities and demographic makeups, which she indicated might complicate region-wide development initiatives.

Finally, a policy coordinator for the World Uyghur Congress asked the panelists to speak further on recent reports of violations of freedom of religion in Xinjiang, in particular that Uyghur individuals had been banned from wearing Islamic headscarves or growing long

beards (which are sometimes a sign of devotion in Islam) and forced to eat during the holy month of Ramadan (when Muslims fast during daylight hours).

Dr XING addressed the first question regarding entrepreneurship within ethnic minorities. He reiterated that Xinjiang has an important role to play in regional cooperation, particularly as there are several ethnic groups whose populations are spread across national borders into China's neighboring countries. These include Uyghur, Kazak, Uzbek and other Turkic peoples. Dr XING indicated that they might have an advantage in terms of encouraging economic cooperation in the region, as they may have unique insights into language and cultural aspects of business. He then responded to the second question on economic zones in Xinjiang and relation to Pakistan. He explained that there are two centrally authorized economic zones, one in the south and another in the north of the region. In the northern economic zone, China and Pakistan have set up the cross-border International Cooperation Center, which has proved very conducive to exchange and cooperation. Two major projects, the China-Pakistan Economic Corridor and the New Eurasia Continental Bridge work similarly, and this may have been the project to which the audience member intended to refer to. Finally, Dr XING concluded that Xinjiang sits on a very important passage to the rest of Central Asia, and so perhaps more can be done to use preferential policies to enhance this position.

Mr YANG then offered his response to some of the questions. He began by reasserting that terror and violence are becoming global phenomena, and that economic globalization has enlarged the income disparity and inequality between rich and poor, which has only exacerbated tensions, especially amongst underprivileged ethnic minorities. He recalled that when China first adopted a planned economy, inequality was limited, but that changed with the introduction of a market economy as ethnic minorities are less competitive and face a less favorable economic environment. He compared the situation of China's ethnic minorities to the situation of the Black community in the US. He stated that Black people in America make only 50 percent of the income of white people, and as a result there is a lot of racial tension in the country, which explains the high rate of crimes committed by those ethnic minorities. Terror and violence continue to gain momentum because most countries have failed to find solutions to these problems. Mr YANG said that as evidence, the so-called Islamic State cannot even be contained by current military superpowers US and Russia. China must find a solution to these problems as ethnic minorities are guaranteed rights in the constitution. He reminded the audience that in Xinjiang, all government administrators are from ethnic groups that exercise their ethnic autonomy. He admitted that China has not done enough to reduce inequality, but China has correctly followed their own policy regarding ethnic minorities, and needs more time to see policies to their desired conclusions.

Report prepared by Kathleen Brown

European Institute for Asian Studies – EIAS a.s.b.l.
26 Rue de la Loi, 10th Floor, 1040 Brussels/Belgium
Tel.: +32 2 230 81 22 E-mail: eias@eias.org Website: www.eias.org

 EiasBrussels

 European Institute for Asian Studies

 @EIASBrussels