

China's Belt and Road Initiative

For Prelims: Belt and Road Initiative (BRI), China-Pakistan Economic Corridor (CPEC)

For Mains: China-Pakistan Economic Corridor and its implications on India.

Source: TH

Why in News?

China's ambitious Belt and Road Initiative (BRI) is celebrating its 10th anniversary. This colossal e Vision project, in 2013, aims to reshape global trade and infrastructure development.



What is the Belt and Road Initiative?

About:

• The BRI, represents a multifaceted development strategy aimed at enhancing global connectivity and cooperation.

- It was launched in 2013 and aims to link Southeast Asia, Central Asia, the Gulf region, Africa and Europe with a network of land and sea routes.
 - The project was first named the 'One Belt, One Road' but renamed as the BRI to convey a more open and inclusive initiative as opposed to a Chinese-dominated
- The initiative includes two principal components: the Silk Road Economic Belt and the Maritime Silk Road.

Routes of BRI:

- Silk Road Economic Belt:
 - This segment of the BRI is dedicated to improving connectivity, infrastructure, and trade links across Eurasia through a network of overland transportation routes.
- Maritime Silk Road:
 - This component emphasizes maritime connections and cooperation in the form of ports, shipping routes, and maritime infrastructure projects.
 - It begins via the <u>South China Sea</u> going towards <u>Indo-China</u>, South-East Asia and then around the **Indian Ocean** thus reaching Africa and Europe.

Objective:

- The primary goal of the BRI is to boost international connectivity by enhancing infrastructure, trade, and economic cooperation.
 - The initiative encompasses a wide range of projects, including railways, ports, highways, and energy infrastructure.

Geographic Corridors:

- The land-based Silk Road Economic Belt envisions six key corridors for development:
 - China-Pakistan Economic Corridor (CPEC).
 - China-Myanmar Economic Corridor.
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Note

Initially BRI included the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor. Later India refrained from joining the BRI, voicing its opposition to the CPEC that runs from Xinjiang in China's west, through Pakistan-occupied Kashmir (PoK), to the Arabian Sea port of Gwadar. With India staying out, the BCIM corridor has also stalled, and has been replaced by a later launched China-Myanmar Economic Corridor.

Economic Impact:

- Countries participating in the BRI have witnessed growth in trade and investments with China, leading to preferential treatment and policy benefits.
- Trade with BRI partners registered an annual growth rate of 6.4%, reaching USD 19.1 trillion between 2013 and 2022.

What is India's Stance on BRI?

- India opposes the project on the grounds of sovereignty and transparency. India has boycotted the BRI summits held by China in 2017, and 2019 and has not endorsed the BRI joint statements issued by the **Shanghai Cooperation Organisation (SCO).**
 - India's main objection to the BRI is that it includes the China-Pakistan Economic Corridor (CPEC), which passes through the Pakistan-occupied Kashmir (PoK), a territory that India claims as its own.
- India also argues that the BRI projects should respect the international norms, rule of law, and financial sustainability, and should not create debt traps or environmental and social risks for the host countries.
- India has instead promoted other connectivity initiatives, such as the **Partnership for Global** Infrastructure and Investment (PGII), a G7 initiative to fund infrastructure projects in developing countries.

What are the Issues Concerned with the BRI?

Debt Burden:

- The **debt sustainability and transparency of the BRI projects**, especially in countries with weak governance, high corruption, and low credit ratings.
 - Some critics have accused China of engaging in "debt-trap diplomacy" by lending money to countries such as Sri Lanka and Zambia that ultimately find themselves unable to repay and then seizing their strategic assets or extracting political concessions in return.

Multilateral Governance:

- The BRI is not a multilateral initiative but rather a collection of mostly bilateral projects. This decentralized approach can lead to coordination and governance challenges.
 - Unlike initiatives like the <u>Asian Infrastructure Investment Bank (AIIB)</u>, the BRI lacks a centralized governing structure, making it difficult to address issues collectively.

Political Tensions:

 Geopolitical rivalries and disputes, such as the <u>India-China</u> border dispute, have affected the implementation of BRI projects in certain regions. These political tensions can undermine the initiative's progress.

Environmental and Social Concerns:

Infrastructure development projects under the BRI have faced criticism for their
potential environmental and social impacts. Ensuring that BRI projects are
environmentally sustainable and consider the well-being of local communities is a
challenge.

Geostrategic Concerns:

The BRI has raised geopolitical concerns, particularly regarding China's growing
influence and control over critical infrastructure in partner countries. These
concerns have led some countries to reevaluate their participation in the initiative.

UPSC Civil Services Examination Previous Year Question (PYQ)

Prelims

Q. Belt and Road Initiative' is sometimes mentioned in the news in the context of the affairs of (2016)

- (a) African Union
- (b) Brazil
- (c) European Union
- (d) China

Ans: (d)

Mains

- **Q1.** The China-Pakistan Economic Corridor (CPEC) is viewed as a cardinal subset of China's larger 'One Belt One Road' initiative. Give a brief description of CPEC and enumerate the reasons why India has distanced itself from the same. **(2018)**
- **Q2.** "China is using its economic relations and positive trade surplus as tools to develop potential military power status in Asia". In the light of this statement, discuss its impact on India as her neighbour. **(2017)**

