China’s Belt and Road Initiative

Why in news?

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- Recently UNSC adopted a resolution on security in Afghanistan, which also included a reference to regional development initiatives such as China’s Belt and Road Initiative (BRI).
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- China promptly announced that this reference reflected a global consensus on the BRI.
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What is BRI?

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- The ongoing initiative is part of an intensifying campaign to mobilise high-level attendance at **the Belt and Road Forum for International Cooperation (BRF),** hosted by China in mid-May.
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- The declared purpose is to review progress of the BRI, obtain perspectives of stakeholders and plan new trajectories of cooperation.
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- China’s global outreach through connectivity and infrastructure development originated through BRI in 2013.
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- The Silk Road Economic Belt includes land corridors from China through Central Asia and Russia to Europe with spurs to West Asia and to Pakistan — the China-Pakistan Economic Corridor (CPEC).
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- The 21st century Maritime Silk Road links China’s east coast through major sea lanes to Europe in the west and the Pacific in the east.
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- Together, they constitute the BRI, originally **“One Belt One Road”** initiative.
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What are the proposed objectives of BRI?

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- It is a rich mix of economic, developmental, strategic and geopolitical motives.
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- Chinese objectives of the BRI are **finding outlets for excess capacity** of its manufacturing and construction industries.
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- **Increasing economic activity** in its relatively underdeveloped western region.
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- And **creating alternative energy supply routes** to the choke points of the Straits of Hormuz and Malacca, through which almost all of China's maritime oil imports pass.
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- The political subtext is **strengthening China's influence over swathes of Asia and Africa,** buttressing its ambitions to be a maritime power, and developing financing structures parallel to (and eventually competing with) the Bretton Woods system.
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What are the issue in BRI?

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- Connectivity and infrastructure development are need of the hour for much of Asia, which **lacks both finances** required to develop them and the much need **capacity** to develop them.
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- But Chinese overcapacity may override host countries' development priorities in project selection.
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- Political tensions between countries may prevail over considerations of economic benefit.
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- Local elites may corner the "spoils" from new projects, thereby exacerbating social tensions.
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- And financing strategies may result in **countries sleepwalking into a debt**

trap (the Hambantota development projects in Sri Lanka provide a telling example).
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- Much will depend on how sensitive China is to international and local concerns on these counts.
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How is India reacting to BRI?

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- Officially, **India says it cannot endorse the BRI in its present form,** since it includes the CPEC, which runs through Indian Territory under illegal Pakistani occupation (Gilgit-Baltistan).
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- Some have argued for the more "pragmatic" approach of a partial endorsement, as the initiative rolls out in various countries, India can engage with them (and with China) to promote projects that would be of benefit.
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- On the other hand India should ask China whether it is willing to address its concerns in such a way as to enable high-level Indian participation.
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- India should ask China, whether it would be willing to declare that the CPEC is not a component of the BRI but a separate bilateral China-Pakistan project.
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- A senior Chinese diplomat said drawing attention to Article 6 of the 1963 China-Pakistan "boundary" agreement (in which Pakistan ceded the "Trans-Karakoram tract" to China), wherein the two sides agreed that after the J&K issue is resolved, China would renegotiate the boundary with the relevant sovereign country.
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- Would China be willing to say the same today about the CPEC that once the status of Gilgit-Baltistan is agreed bilaterally between India and Pakistan, China will renegotiate with the sovereign authority the terms of transit of the corridor?
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- China should include the existing land corridor from India to Afghanistan, through Pakistan in the BRI. This corridor would intersect the CPEC and may therefore open new routes for Chinese goods to both India and Afghanistan, besides promoting India, Pakistan and Afghanistan trade.
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- China should now use its strong position to persuade Pakistan to recognise

that this is in its best economic interest Pakistan drops its state sponsored terrorism.
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What is BRI meet?

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- As of April 21 2017, China confirmed attendance of 28 heads of state and government at the BRF. They include leaders of Russia, Turkey, Pakistan, Sri Lanka, Myanmar and Indonesia.
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- There are only two each from South Asia, Central Asia and Africa and none from West Asia.
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- India has been a target, since it has apparently not yet conveyed the level of its attendance.
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- China’s argues, that India would be “isolating” itself by staying out.
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Source: The Hindu

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