

# China's Belt Road Initiative

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The discussion on Belt and Road Initiative resurfaced with the first shipments on a newly-launched railway line from the Myanmar border to the key commercial hub of Chengdu in western China, that provides China a new road-rail transportation channel to the Indian Ocean. Hence, there is a high probability of BRI being a focal issue for UPSC Mains examination.

**In news:** China opens first road-rail transport link to Indian Ocean

**Placing it in syllabus:** Foreign Affairs

**Dimensions**

- What is BRI? Its effect on geopolitics
- India's response to joining BRI
- Counter initiatives to BRI
- String of pearls and necklace of diamond
- Recent developments of BRI

## Content:

### What is BRI? Its effect on geopolitics

- The **Belt and Road Initiative (BRI)**, formerly known as **One Belt One Road (OBOR)** is the **global development strategy initiated by the Government of China** involving infrastructural development and direct investments in many countries across the continents of Asia, Europe, Africa and the Americas.
- It was **announced in 2013** by China's President Xi Jinping.
- The initiative was incorporated into the Constitution of China in 2017.
- The Chinese government calls the initiative "**a bid to**

**enhance regional connectivity and embrace a brighter future.”**

- BRI's goals include **internal state-building and stabilisation of ethnic unrest for its vast inland western regions** such as Xinjiang and Yunnan, **linking these less developed regions, with increased flows of international trade** facilitating closer economic integration with China's inland core
- The project has a **target completion date of 2049**, which will coincide with the centennial anniversary of the People's Republic of China (PRC)'s founding.
- The BRI projects comprise \$4 trillion of promised investments in 65 countries representing 70 percent of the world's population, 55 percent of its GNP, and 75 percent of its energy reserves.
- The BRI aims to stabilize China's western peripheries, rekindle its economy, propel non-Western international economic institutions and diversify trade suppliers/routes while circumventing the U.S. **pivot to Asia**.

### ***Geopolitical Effects***

- The Belt and Road Initiative is believed by some analysts to be a way to extend Chinese economic and political influence.
- Some observers and skeptics, mainly from non-participant countries, including the United States, **interpret it as a plan for a sinocentric international trade network**
- Some geopolitical analysts explain the Belt and Road Initiative in the context of **Halford Mackinder's heartland theory**.
- Scholars have noted that official PRC media attempts to mask any strategic dimensions of the Belt and Road Initiative as a motivation.
- China has already invested billions of dollars in several South Asian countries like Pakistan, Nepal, Sri

Lanka, Bangladesh and Afghanistan to improve their basic infrastructure, with implications for China's trade regime as well as its military influence.

- This project can also become a new economic corridor for different regions.
- For example, in the Caucasus region, China considered cooperation with Armenia from May 2019. Chinese and Armenian sides had multiple meetings, signed contracts, initiated a north-south road program to solve even infrastructure-related aspects.

### **Debt Trap Diplomacy:**

- There has been concern over the project **being a form of neo-imperialism**. Some Western governments have accused the Belt and Road Initiative of being neocolonial due to what they allege is China's practice of **debt-trap diplomacy** to fund the initiative's infrastructure projects.
- China's overseas development policy has been called debt-trap diplomacy because **once indebted economies fail to service their loans, they are said to be pressured to support China's geostrategic interests**.
- An example provided is Beijing pressuring Tajikistan to hand over 1,158 km<sup>2</sup> territory, which still owes China US\$1.2 billion out of a total \$2.9bn of debt. Other nations with a similar risk of sovereignty slicing are Pakistan, Madagascar, Mongolia, Maldives, Kyrgyzstan, Montenegro, Sri Lanka, and Laos which have borrowed large sums from China

### **India's response to joining BRI**

- Government officials in India have **repeatedly objected** to China's Belt and Road Initiative.
- India had received a formal invitation to participate in the 6 separate forums that China was organizing as part

of the **Belt and Road Forum** in 2017.

- India has decided to not participate in China's second Belt and Road Forum (BRF).
- Delhi's strategic community has long objected to China's **road construction on land frontiers and port-building in the Indian Ocean as "strategic encirclement"**.
- In particular, they believe the **"China-Pakistan Economic Corridor" (CPEC)** project ignores New Delhi's **essential concerns on its sovereignty and territorial integrity**.

## **Counter initiatives to BRI:**

The following are the international initiatives to counter BRI:

### ***The Blue Dot Network (BDN):***

- It is a multi-stakeholder initiative formed by the United States, Japan, and Australia that began in 2019.
- It aims to provide assessment and certification of infrastructure development projects worldwide on measures of financial transparency, environmental sustainability, and impact on economic development, with the goal of mobilizing private capital to invest abroad.
- The Blue Dot Network is positioned as an alternative to China's Belt and Road Initiative (BRI)

### ***Build Back Better World (B3W)***

- It is an initiative undertaken by G7 countries.
- Launched in June 2021, the initiative is designed to counter China's strategic influence by providing an alternative to the BRI for the infrastructure development of the low and middle income countries
- The G7 countries will work to address the \$40 trillion worth of infrastructure needed by developing countries by 2035.
- The initiative aims to catalyze funding for quality infrastructure from the private sector and will

encourage private-sector investments that support “climate, health and health security, digital technology, and gender equity and equality”

### **India's Initiatives:**

- Expansion and strengthening of connectivity is an integral part of India's economic and diplomatic initiatives.
- Under the 'Act East' policy, it is pursuing the Trilateral Highway project
- Under 'Neighbourhood First' policy it is developing multimodal linkages with Myanmar and Bangladesh;
- Under our 'Go West' strategy, it is engaged with Iran on Chabahar Port and with Iran and other partners in Central Asia on the International North South Transport Corridor.
- The BBIN initiative is aimed at enhancing logistics efficiencies in the South Asian region.

### **String of pearls and necklace of diamonds**

- The Indian Ocean has emerged as a key intersection zone of Indian and Chinese strategic interests. The geopolitical competition for strategic influence in the Indo-Pacific region between India and China has progressively been intensifying.
- China's 'string of pearls' in the Indian Ocean or India's 'necklace of diamonds' strategy are **not officially promulgated strategies of the government**, but these are the **interpretation of respective government policies by commentators**.

### ***String of Pearls***

- The String of Pearls is a **geopolitical hypothesis** proposed by United States political researchers in 2004.
- In 2004, US defence contractor Booz Allen Hamilton, in a

report titled 'Energy Futures in Asia', had used the term "String of Pearls" to **describe China's strategy to expand its naval presence throughout the Indian Ocean Region (IOR) through built-up of civil maritime infrastructure.**

- The term refers to the network of Chinese military and commercial facilities and relationships along its sea lines of communication, which extend from the Chinese mainland to Port Sudan in the Horn of Africa.
- The sea lines run through several major maritime choke points such as the Strait of Mandeb, the Strait of Malacca, the Strait of Hormuz, and the Lombok Strait as well as other strategic maritime centres in Pakistan, Sri Lanka, Bangladesh, the Maldives, and Somalia.
- Through its String of Pearls strategy, China is expanding its footprints to contain Indian hold in the Indian ocean. It is creating a ring around India through strategically placed nations such as at **Chittagong (Bangladesh), at Karachi, Gwadar port (Pakistan)** and at **Colombo, Hambantota (both in Sri Lanka)** and other facilities.
- The emergence of the String of Pearls is indicative of China's growing geopolitical influence through concerted efforts to increase access to ports and airfields, expand and modernise military forces, and foster stronger diplomatic relationships with trading partners.
- Many commentators in India believe this plan, together with the China–Pakistan Economic Corridor and other parts of China's Belt and Road Initiative under Chinese Communist Party general secretary Xi Jinping, is a threat to India's national security.
- Such a system would encircle India and threaten its power projection, trade, and potentially territorial integrity.
- Furthermore, China's support for India's traditional enemy of Pakistan and its Gwadar Port is viewed as a threat, compounded by fears that China may develop an

overseas naval military base in Gwadar, which could allow China to conduct expeditionary warfare in the Indian Ocean Region.

- At the same time, Chinese officials have consistently denounced “the so called ‘string of pearls’ construct” as a motivated distortion of their regular economic engagements.

### **Necklace of Diamonds**

- The phrase ‘necklace of diamonds’ was first mentioned by India’s former Foreign Secretary Lalit Mansingh while speaking at a think tank in August 2011 on ‘India’s Regional Strategic Priorities’.
- Just as the Chinese are building port facilities, **India is tying up naval cooperation with almost all the major powers of the Indian Ocean region**
- This strategy **aims at garlanding China** or in simple words, the counter encirclement strategy. India is expanding its naval bases and is also improving relations with strategically placed countries to counter China’s strategies.



### **India’s Strategic Bases in this strategy are:**

- **Changi Naval Base, Singapore:** In 2018, Prime Minister Modi signed an agreement with Singapore. The agreement has provided direct access to this base to the Indian Navy. While sailing through the South China Sea, the

Indian Navy can refuel and rearm its ship through this base.

- **Sabang Port, Indonesia:** In 2018, India got military access to Sabang Port which is located right at the entrance of Malacca Strait. This strait is one of the world's famous choke points. A large chunk of trade and crude oil passes on to China through this region.
- **Duqm Port, Oman:** In 2018, India got another military access after Sabang Port in Indonesia. The Duqm Port is located on the south-eastern seaboard of Oman. The port facilitates India's crude imports from the Persian Gulf. In addition to this, the Indian facility is located right between the two important Chinese pearls– Djibouti in Africa and Gwadar in Pakistan.
- **Assumption Island, Seychelles:** In 2015, India and Seychelles agreed upon the development of the naval base in this region. This gives the military access to India. This base is of strategic importance to India as China desperately wants to increase its presence in the African continent through the maritime silk route.
- **Chabahar Port, Iran:** In 2016, Prime Minister Modi signed an agreement to build this port. The port provides access to Afghanistan and an important trade route to Central Asia.

## Recent developments of BRI:

- The **first shipments on a newly-launched railway line from the Myanmar border to the key commercial hub of Chengdu in western China**, that provides China a new road-rail transportation channel to the Indian Ocean, were delivered in August 2021.
- The transport corridor involves a **sea-road-rail link**. Goods from Singapore reached Yangon Port, arriving by ship through the Andaman Sea of the northeastern Indian Ocean, and were then transported by road to Lincang on the Chinese side of the Myanmar-China border in Yunnan



province.

- This passage **connects the logistics lines of Singapore, Myanmar and China**, and is currently the most convenient land and sea channel linking the Indian Ocean with southwest China
- China also has plans to develop another port in **Kyaukphyu** in the Rakhine state, including a proposed railway line from Yunnan directly to the port, but the progress there has been **stalled by unrest in Myanmar**.
- Plans are underway to develop the Myanmar border trade town of Chin Shwe Haw as a “border economic cooperation zone” under the Belt and Road Initiative.
- Chinese planners have also looked at the **Gwadar port in Pakistan** as another key outlet to the Indian Ocean that will bypass the Malacca Straits. Gwadar is being developed as part of the **China Pakistan Economic Corridor (CPEC)** to the far western Xinjiang region, but has been **slow to take off amid concerns over security**.

**Mould your thought:** The geopolitical competition for strategic influence in the Indo-Pacific region between India and China has progressively been intensifying. Evaluate

***Approach to the answer:***

- Introduction
- Discuss the importance of Indo-Pacific Region
- Discuss China’s BRI and String of Pearls in this context
- Discuss India’s Counter Measures
- Conclusion