

The Belt and Road Initiative from an Indian Perspective

By

Gunjan Dutta

PHD Research Scholar, Department of Political Science, Cotton University, Pan Bazar,
Guwahati, Assam, India

Belt and Road Initiative (BRI), (yidai yilu in Mandarin) is viewed as one of the most recent foreign policy initiatives of Chinese government. Initially, this ambitious project was termed as One Belt One Road (OBOR) in China which was later renamed as Belt and Road Initiative (BRI). It consists of overland connectivity in the form of 'Silk Road Economic Belt' as well as '21st Century Maritime Silk Road' that indicates the maritime dimension. These are the major axes along which China proposes to economically link Europe to China through countries across Eurasia and the Indian Ocean¹. At the time of its launch, the project was intended to be completed by 2049, the year marking the hundredth anniversary of Peoples' Republic of China's existence.

The first formal announcement of this 'new Silk Road' traces its origin to the 2013 speech of Chinese President, Xi Jinping in Nazarbayev University in Kazakhstan where he proposed an 'economic belt along the Silk Road', a trans-Eurasian project spanning from the Pacific Ocean to the Baltic Sea². Similarly, maritime silk road was announced by Xi Jinping's speech in the Indonesian parliament during his Southeast Asian visit to the country. This initiative grabbed the attention of the Western media only after the Belt and Road Forum Summit held in 2017 in China under the banner of Belt and Road Forum (BRF) for International Cooperation. It is during this summit that the concept of Belt and Road was presented to the entire world by China in the presence of about thirty statesmen. Similarly, the second Belt and Road Forum summit was successfully held in 2019.

Under this grand initiative, China intends to connect almost half of the globe covering the continents of Asia, Europe and Africa. Primarily, Belt and Road Initiative (BRI) focuses on economic aspects like promoting trade and investment in the participant countries that will result in a mutually beneficial situation. Several global organizations, financial agencies as well as private companies are associated in this grand initiative which includes 65 countries. "The Vision and Actions on Jointly Building Silk Road Economic Belt and 21st century Maritime Silk Road" published in 2015 by the Belt and Road Initiative official document mentions five priority areas: policy coordination, facilitating connectivity, unlimited trade, financial integration and people-to-people bonds. According to Wang Yiwei, the unique naming of BRI is 'to demonstrate its intellectual property'³.

BRI involves six economic corridors. These are the New Eurasian Land Bridge Corridor, China-Mongolia-Russia Economic Corridor, China-Central Asia-West Asia Economic Corridor, the Indo-China Peninsula Corridor, China-Pakistan Economic Corridor and Bangladesh-China-India-Myanmar Corridor. These overland connectivity projects involve multi-modal means of connectivity including roads, railways, oil and natural gas pipelines as well as power grids which will link western part of China with places like Central Asia, Moscow, Venice etc. The goal of

¹ Wade, Geoff "China's 'One Belt, One Road' initiative"

² Wu Jiao, Xi proposes a 'new Silk Road' with Central Asia

³ Wang Yiwei, The Belt and Road Initiative: What China Will Offer the World in Its Rise

the 'roads is to construct a network of ports and other coastal infrastructure projects to connect China with Southeast Asia, South Asia, East Africa and the Mediterranean.⁴

However, the modern Silk Road in the form of Belt and Road Initiative (BRI) is often confusing as it also includes an element of maritime dimension unlike its ancient predecessor. This maritime dimension stretches from Fujian province in South China Sea and moves southward towards Malacca Strait covering the Indian Ocean Region and reaches the Mediterranean coast. The shipping lane extends from the coast of China to Europe and involves developing port facilities in various countries like Myanmar, Pakistan, Sri Lanka, Greece etc. These ports according to Chinese authorities are designed to protect the sea lane of communication from the threat of piracy. However, there is also a strategic dimension that these ports can also be used for military purposes, the possibilities of which can never be denied. There is no doubt that the Belt and Road Initiative (BRI) is a new initiative, but this does not necessarily apply to all the projects included within its fold. There are many projects under the BRI, the origin of which precedes the conceptualisation of the BRI.

A number of financial institutions are involved in providing funds to the projects under BRI. Notable among the international agencies include the New Development Bank, the Asian Infrastructure Investment Bank (AIIB). A remarkable feature of AIIB is its desire to allocate funds for low income countries making it distinct from existing global institutions like the World Bank. Apart from these financial institutions, Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, and China Construction Bank are the major state led banks involved in the funding process. The Silk Road Fund headquartered in Beijing was specifically created by China for funding BRI projects.

However, it can't be said that the BRI is a product of the efforts of a few months or a few years. No doubt, BRI is the brainchild of current Chinese President Xi Jinping, but the intellectual foundation of this initiative can be traced to the reform policy of former Chinese leader Deng Xiaoping who initiated a series of economic reforms in China in the 1970s under the title of famous 'Open Door' policy. It is because of such grand economic reforms that China can today think of a mammoth project as the BRI. Deng's policy of 'tao guang yang bui' which in English stands for 'keeping a low profile' has guided China until recently before it started attracting the global media cover. Open Door policy paved the way for investment in China as result which it has amassed foreign exchange reserves today enabling it to finance various projects under the initiative of Belt and Road.

Among all the participating countries to the BRI, it is most profitable for its parent country China. This is mainly because it will enable China to address its internal as well as external interests. Internally, BRI will result in the development of its remote and backward provinces like Xinxiang that is facing an internal security issue, addressing the problem of overcapacity of products like steel, reducing Chinese dependences on strategic choke points like the Malacca Strait, most of which are controlled by countries considered to be allies of the United States of America. Externally, it will project China's growing 'soft power' and provide China with greater bargaining power. Thus, China intends to kill two birds with one stone.

Belt and Road is not entirely about infrastructure projects. In fact, it can be considered as a Chinese brand with a unique structural framework. This is because, China has set up separate international courts in Shenzhen and Xi'an for the resolution of any international

⁴ National Development and Reform Commission, 'Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road'

disputes related to BRI. The court in Shenzhen is supposed to settle the cases associated with Maritime Silk Road whereas the Xi'an court is vested with the responsibility of commercial disputes linked to Silk Road Economic Belt. In other words, overland disputes will be handled by Xi'an court while maritime disputes will be adjudicated by Shenzhen court. The headquarters of both the courts will be in Beijing. BRI, thus, brings together a number of new, highly significant developments: China's growing international system in its image and the growing reactions and response to that project⁵.

BRI characterises a unique era in the history of China's rise.

Of late, this project has however, been in news due to various reasons such as it is a form of Chinese Marshall Plan, though it is claimed officially that BRI is based on 'mutual trust, equality and mutual benefit, inclusiveness and mutual learning and win-win cooperation' yet there are allegation of corruption, a policy of debt trap (provided the acquisition of majority stake in Hambantota port in Sri Lanka by Chinese company due to the inability of repayment of loan), etc. to name a few. Related to this is the fact that most of the major powers like America, Japan are sceptical of it and India has also declined to be a part of it citing CPEC (China- Pakistan Economic Corridor) that passes through the Pakistan occupied Gilgit Baltistan. Beijing's multibillion-dollar Belt and Road Initiative BRI has been called a Chinese Marshall Plan, a state-backed campaign for global dominance, a stimulus package for a slowing economy, and a massive marketing campaign for something that was already happening—Chinese investment around the world.⁶

Thus, critics are of the view that Belt and Road Initiative (BRI) is a Chinese means to 'debt trap diplomacy' for gaining concessions in various forms. China may exercise its influence through debt policy to gain support of those victim countries in various global forums. As BRI is completely sponsored by the Chinese government therefore, the possibilities of a future Chinese imperialism cannot be denied. In the opinion of John Gally of Australian National University, BRI is a Chinese attempt to 'win friends and influences.'

Moreover, given the dual usability of the ports under this initiative, there are growing concern among the strategic circle that in times of need these ports can also be used for strategic purposes although China claims that the ports will be used for the commercial purpose only. China has emerged as a threat to a Western rules-based global order and the Belt and Road is now often described as a dagger aimed at the heart of our economics and societies⁷. To quote Jonathon Hillman, the director of the Reconnecting Asia project at CSIS, 'If it can carry goods, it can carry troops'.

Though China denies all such claims yet from a logical point of views such claims cannot be denied entirely given China's history of lack of transparency.

Coming to the context of Sino -India, the two Himalayan neighbours share a civilizational past. Since time immemorial, there are traces of cultural relationship between the two neighbours. This is evident from the references to China in epics like the Mahabharata and the influence of Buddhism. The growth of the two Asian giants are essential if the phrase 'twenty first century is Asian century' is to be realised. In fact, India was the first non-communist country to recognise the People's Republic of China (PRC) and the two neighbours established their diplomatic relation on April 1,1950. However, relationship between the two

⁵ Macaes, Bruno 'Belt and Road:A Chinese World Order'

⁶ Lily Kuo and Niko Kommenda, "What is China's Belt and Road Initiative"

⁷ Macaes, Bruno ' Belt and Road: A Chinese World Order'

countries deteriorated since the 1962 war resulting from their border dispute. In spite of their trade tremendous trade volume, both the countries continue to remain sceptical of each other since then.

At the same time increasing Chinese activities in India's neighbourhood as well as the growing presence of People's Liberation Army of China (PLAN) in the Indian Ocean have made India highly concerned about the former's activities. The Indian concerns were doubled after the Hambantota incident which is supplemented by the on-going China Pakistan Economic Corridor (CPEC) that passes through Pakistan Occupied Kashmir (POK).

It is because of these reasons that India has decided not to be a part of China led the Belt and Road Initiative despite repeated Chinese requests. A few days prior to the second Belt and Road Forum Summit, Ministry of External Affairs Official Spokesperson responded regarding possible Indian cooperation with China on BRI that "China Pakistan Economic Corridor violates India's sovereignty and territorial integrity. Indian position is that connectivity initiatives must be based on universally recognized international norms, good governance, rule of law, openness, transparency and equality, and must be pursued in a manner that respects sovereignty and territorial integrity."

India has not joined the Belt and Road Initiative till date. India alone lacks the resources to balance the Belt and Road Initiative. Therefore, India has collaborated with like minded countries like the United States of America, Japan, Australia etc. and has come up with initiatives like the Quadrilateral Security Dialogue (QUAD), Asia- Africa Growth Corridor etc. It will however, be fascinating to see how this grand scheme unravels itself and the subsequent socio-political consequences it will beget in the near future.

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