

BELT AND ROAD INITIATIVE: NAVIGATING BETWEEN INTERDEPENDENCE AND CHINA'S GLOBAL STRATEGY

Naveed Anjum Naru* & Manzoor Khan Afridi**

Abstract

The Belt and Road Initiative (BRI), China's global strategy for economic and geographical connections, has turned into an important tool for influencing the current economic and geopolitical landscape. While the BRI is portrayed as a development project with the goal of fostering infrastructure connectivity, economic integration and shared economic benefits, it has also sparked discussion of geopolitical influence, debt trap diplomacy and shifting power dynamics. In this study, the economic interdependence and China's strategic interests in the BRI are explored by examining the impacts of BRI infrastructure investments, economic cooperation, and diplomatic relations on regional and international dynamics. The study highlighted the economic, political and governance impacts of the BRI in Asia, Europe and Africa. The research method adopted is qualitative one, which was based on content analysis of Chinese policy documents, official publications of the BRI, international agreements and academic literature to analyze the motives, results and general consequences of the BRI. The results show that the BRI has facilitated economic cooperation, connectivity and infrastructure development in the participating countries but has also led to financial dependency, transparency issues and an increasing geopolitical influence of China. Based on the study, the BRI is a platform for cooperative interdependence and a strategic tool to promote China's international status. This suggests that it needs to push for more transparency, sustainable finance and multilateral cooperation to allow BRI projects to foster "balanced development" and help to reduce geopolitical tensions. The study added to

* Sinologist and Lecturer in International Relations at the University of Faisalabad, Pakistan. He can be reached at naveednaru25@gmail.com

** Dean, Social Sciences, International Islamic University, Islamabad, Pakistan. He can be reached at manzoor.afridi@iiu.edu.pk

the understanding of China's transformation in global governance and the international relations change.

Keywords: Belt and Road Initiative, Interdependence, China global strategy, connectivity, geopolitical, Integration

Introduction

Since 2013, China has introduced the BRI, a major project for building infrastructure and connectivity across the world which consists of two dimensions: Silk Road Economic Belt and the 21st Century Maritime Silk Road. The goal of the BRI is to advance economic connectivity, trade cooperation, infrastructure construction, investments and cultural exchange between BRI participating countries in Asia, Europe, and Africa.¹ The initiative, presented by China as a model of shared prosperity, win-win cooperation and mutual benefits, marks a drastic change in the way global development cooperation and international economic relations are done. The BRI has broadened China's interaction with developing and emerging economies, as well as redefined the connectivity of the region and the world through massive infrastructure investments and economic cooperation.

The BRI is not just about the economic goals, but also plays a significant role in China's foreign policy and global strategy. It offers China a chance to tackle domestic economic problems, make use of industrial capacities, open up new markets abroad, improve trade networks and boost its role in the international order.² But the expansion of the BRI into the wider world has sparked a lot of academic and policy discussions on motives and consequences of the BRI. Supporters believe that the program is beneficial for the economic development, modernization of infrastructure and regional integration; however, critics also see the program as a tool for the Chinese government to enhance its geopolitical power, to make the world economy dependent on its infrastructure and to change current global governance.³

The BRI has become a subject of debate because of its dual nature as a tool of economic cooperation and a tool of statecraft. The project has helped to enhance infrastructure connectivity and expand trading opportunities and economic cooperation between the countries involved. However, questions have been raised about the BRI's cooperative interdependence or its toward gaining China-centered global influence due to the concerns about debt

¹ Philippe Le Corre, "Addressing China's Global Strategy," (Bonn International Security Forum, 2018), 60–62, <https://aicgs.org/wp-content/uploads/2019/04/Le-Corre-SFR-2018-pdf.pdf>.

² David L. Shambaugh, ed., *China & the World* (Oxford University Press, 2020).

³ T.-M. Vu and N. T. Phuong, "China and the South China Sea Disputes," *E-International Relations* (2014): 1–5.

sustainability, transparency, political influence and asymmetric economic relationship. It is important to grasp this complexity in order to analyze the emerging role of China in international relations and the shift of global governance.

The purpose of this study is to explore the connection between economic interdependence and China's strategic intentions in the BRI. In particular, it examined the geopolitical motivations behind China's BRI and the economic, political and governance implications for the countries involved and the global system as a whole. It examined the implications of BRI's investments in infrastructure, economic cooperation and diplomatic cooperation on regional cooperation, China's image and global power dynamics. This study analyzed the potential of a new China-led global governance strategy as well as the mutual interests and strategic interests of the BRI and explain the issue of whether the BRI is a global governance strategy of cooperation or a tool for China's geopolitical ambitions.

Literature Review

Since 2013, BRI, China's changing position and its effects on world, has emerged as a key debate in the modern era. Different researchers access BRI on different terms like few discussed it as an economic connectivity project and other as a strategic initiative. Yiping Huang (2016) in his article "Understanding China's Belt & Road Initiative: Motivation, Framework and Assessment" stated that through BRI, China's main goal is to increase infrastructure development, international investment and economic cooperation to deal domestic and global economic challenges. Likewise, Tim Summers in his article China's 'New Silk Roads': Sub-national Regions and Networks of Global Political Economy pointed out that BRI is a network-based globalization strategy that required new regional and global connectivity through infrastructure and economic ties.

Complex Interdependence Theory is a central theoretical approach to BRI, which was put forward by Robert Keohane and Joseph Nye in *Power and Interdependence: World Politics in Transition* (1977). According to theory, there are several channels of interaction among states other than governmental interaction which is called informal network where non-state actors like multinational corporations and non-governmental organization interacts. In this sense, BRI can be seen as a tool to deepen the economic interdependence by way of infrastructure cooperation, trade facilitation and cross-border connectivity through formal and informal means.

Ana Christina Alves, Xue Gong and Mingjiang Li in their article "The Belt and Road Initiative: A New Development Cooperation Paradigm in the Making?" argued that BRI can be seen as a new paradigm of development

cooperation in the shape of infrastructure investment and economic cooperation which differ across recipient countries. Yabo Li, Yan Zhao and Xuemei Yao in their article “Does the Belt and Road Initiative Upgrade the Global Value Chain for BRI Countries: Revealing the Substantial Role of Infrastructure” claimed that BRI improved the global value status of member countries and reduced the trade and transportation cost.

On other hand, second perspective on BRI did not see it just an economic cooperation initiative, but part of China's overall strategy to increase influence in the world. Nadège Rolland in her book “China’s Eurasian Century? stated that BRI is not just about connectivity projects but China’s geopolitical strategy to increase its influence in Eurasia and world. China wanted to reduce its dependence on Western trade routes, resources and market to become hegemon. Although till this time BRI seems peaceful and win-win project but it can shift the balance of power towards China. Likewise, Peter Ferdinand in his article “Westward Ho—The China Dream and ‘One Belt, One Road’” explained that under Xi Jinping, China through BRI is reaching out to the rest of the world in terms of economic cooperation, diplomatic relations and engagement in international affairs. Now China had left its cautious policy and now playing active and ambitious role in the world to become leading power.

In recent years, multidimensional nature of BRI is more under discussion. Jyrki Kallio in his article “China’s Belt and Road Initiative: Ambiguous Model Veiled in Straightforward Pragmatism” proposed a new interpretation of BRI, which considered it as economic and broader strategic project while rejecting the interpretation that makes it either a development initiative or a geopolitical instrument. This study indicated that BRI should be studied as a project which focused on economic connectivity, international cooperation and boost China’s stature in changing global world.

Nevertheless, though already considerable research has been conducted but still there is a lot of controversy over the two approaches in the literature. The former focused on BRI as an instrument of economic cooperation and interdependence, encompassing the issues of infrastructure, investment and trade integration. The second is on China's strategy and its growing influence around the world. While both sides offer valuable points of view, little scholarly focus has been placed upon the interactions between the economic interdependence reinforced through BRI and China's overall geopolitical approach.

This article thus tried to fill this gap by integrating the Complex Interdependence Theory with a strategic approach to China's global engagement. It suggests that BRI is a multidimensional project in which the

economic connectivity will foster interconnected relationship between states and at the same time will help China to accomplish its international positioning, cooperation and engagement goals. This way, BRI is not seen as a matter of cooperation or competition but an approach to a more balanced understanding of the role of BRI in the current globalization.

In previous studies, there are two perspectives on BRI, first viewed it as only a source of interdependence, trade expansion, economic globalization, win-win cooperation and expanding connectivity. On the other hand, second view portrays BRI as a China's geo-political strategy to expand its influence in the world by creating dependency among member states. However, these perspectives examine economic cooperation and strategic objectives perspective separately. Less attention is given to combine both the perspective and understand how BRI creates interdependence and pursuing its global strategy. The article addressed this gap conceptualizing BRI as a type of strategic interdependence in which economic integration and geopolitical objectives works together.

Research Methodology

The type of research of this study is a qualitative research. The aim of the study was to analyze the relationship between economic interdependence and China's strategic goals in the context of the BRI. A qualitative method was suitable because the research was aimed at exploring the underlying economic, political and geopolitical aspects of the BRI, and not intended to establish numerical relationships. The study was designed to determine whether the BRI was a way to assure co-operative interdependence and shared development or a tool for increasing China's global influence as a strategy. In order to reach this goal, the research used qualitative content analysis in a systematic analysis of themes in the fields of infrastructure diplomacy, economic cooperation, strategic interests, geopolitical influence and global governance. The study examined the impacts of China's investments, partnerships and diplomatic efforts through BRI on regional connectivity, international relations and perceptions of the participating countries.

Both primary and secondary sources of data were used in the research. To analyze China's stated goals and strategies, the researcher used a variety of primary sources such as Chinese government policy documents, BRI white papers, official statements, international cooperation documents and publications of Chinese institutions. Secondary sources are peer-reviewed academic papers, books, reports by international organizations and policy analyses to consider the broader economic and geopolitical perspectives of the BRI. The study employed purposive sampling in that it identifies relevant and authoritative sources in order to gain a better understanding of

the objectives of the BRI, implementation and global impact of the BRI. The data collected spans from the inception of BRI in 2013 to the current era, offering a glimpse into its trajectory and dynamics in the realm of global affairs.

Thematic analysis was used to analyze the collected data, which included identifying, categorizing and interpreting the patterns and concepts that emerge from the data. The analysis was based on the main themes: economic connectivity, China's strategic agenda, regional development, dependency issues and changing global power relations. In order to guarantee the reliability and validity, this study used source triangulation, which was a method of comparing the official documents, academic articles and reports from other countries to come up with a balanced picture of BRI. The research was rooted in the idea of economic interdependence, which enabled an assessment of the potential for mutual advantages from increased connectivity, as well as the potential for new forms of influence and strategic competition. The methodology brought together multiple angles to offer a balanced analysis of the BRI's nature as a path toward cooperative globalization or a tool for China's geopolitical agenda.

Evolution of BRI

In 2013, the BRI was launched by President Xi Jinping during his official visits to Kazakhstan and Indonesia, with an objective to revive ancient Silk Road trade from China to Europe via the Middle East and Central Asia, thereby enhancing connectivity, shared development, and economic cooperation among member countries.

The major focus of BRI is on infrastructure development like railroads, roads, airports, ports, and pipelines to increase trade, integration, and connectivity among countries. To support BRI projects, China has created its financial institutions like the China Development Bank (CDB) and the Asian Infrastructure Investment Bank (AIIB) and also funds through its state-owned enterprises (SOEs). As the main purpose of the BRI is to improve transport infrastructure and economic expansion, therefore, many countries of South Asia, Central Asia, Southeast Asia, Africa, and Europe have joined the project.⁴

With initial progress in the infrastructure field, BRI is expanding its outreach to other areas as well, like digital connectivity through the Digital Silk Road, financial integration, cultural exchanges, and collaboration in research and technology fields. There is criticism of BRI regarding its environmental and debt sustainability impacts; therefore, to address the criticism, China is

⁴ D. M. Gill, "Challenges to Regional Cooperation in South Asia: An Overview," *Journal of International Affairs* 3, no. 1 (2020): 42–51, <https://doi.org/10.3126/joia.v3i1.29081>.

shifting its energy project under BRI to green energy and improving its debt sustainability. Few anti-BRI countries present the project as a debt trap, a basis of geopolitical rivalry, and an instrument for China to become world hegemon.

Despite baseless criticism towards BRI, China is responding rationally to its critiques by improving BRI's framework, fund requirements, transparency for sustainability, and quality of the projects. In order to increase the integrity of the project, China has aligned BRI's goals with the United Nations' 2030 agenda for sustainable development. Since BRI's inception, more than 155 nations and 30 international organizations have signed cooperation agreements with BRI. Still, in 2025, countries are joining BRI like Colombia and there are chances that Mauritius will join the project soon, as stated by the Chinese ambassador. All these things make BRI one of the unique projects in modern human history that emphasizes international cooperation. Despite undesirable responses from some countries and their propagation of BRI as a Chinese global strategy to implement its global development agenda, a lot of countries have an enthusiastic approach towards the BRI.⁵

Although BRI started in 2013, its progress increased multifold between 2015 and 2017, when China provided official Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road in 2015. This was the first official plan for BRI; therefore, the document comprehensively explained detailed objectives, frameworks, and strategies for the expansion of BRI. In this phase, BRI shifted its focus from infrastructure projects to include a few other fields, like energy, modern technology, and digital infrastructure. This shift presented BRI as a multidimensional platform for economic cooperation, which increased the trust of nations in BRI; therefore, at the inaugural Belt and Road Forum for International Cooperation, in 2017, over 100 nations participated, which was a remarkable achievement for China and received outstanding world attention.

From 2018 to 2019, the BRI went through internationalization and institutionalization when China signed a substantial number of memorandums of understanding (MoU) and agreements with member countries, thereby generating a more organized and legally distinct framework for collaboration. The project started closer collaboration with international organizations, like the World Bank and the United Nations,

⁵ S. Rauf, U. Ifitikhar, and F. K. Shujahi, "China Pakistan Economic Corridor: Geopolitical Importance for Central Asian Republics," *Margalla Papers* 32, no. 2 (2019): 65–77.

therefore intensifying its credibility and bringing it in line with universal development goals, and its geographic scope expanded with the inclusion of African and European states.⁶

One of the unique features of BRI is its quality of adjustment according to emerging situations, like in 2020, when the world encountered the COVID-19 pandemic, the BRI adjusted itself according to the international landscape and launched the Health Silk Road initiative to provide global collaboration in public health, medicine supply chains, and epidemic management. The Digital Silk Road is another example, where China provided member countries with sophisticated digital infrastructure like 5G networks, cloud computing, e-commerce, and artificial intelligence.⁷ To minimize controversies, China has deliberately taken few steps to increase transparency, social awareness, and ecological sustainability, which has increased regional collaboration, mutual benefit, resilience, and interconnectedness in an exponentially complex and interdependent universal landscape.

China's Rational of BRI

The BRI arises from a substitute economic rationale that corresponds with China's domestic objectives and its evolving global economic position. The underdevelopment of western China, particularly in Xinjiang, Qinghai, and Tibet, is a primary rationale for the initiation of the BRI, as security is often assessed through the lens of development.⁸ Under the BRI, China is seeking new trading partners for its western region to enhance its wealth. Through the BRI, China will enhance its GDP, industrial output, foreign investment, modernization and international trade by establishing connectivity with the world.

During the 2008/09 financial crisis, China implemented a stimulus package amounting to 4 trillion yuan to develop railways, airports, and bridges, resulting in overcapacity, despite reallocating some funding to its Western Development Program. Key industries such as crude steel, concrete, cement, oil, and aluminum experienced overcapacity, while neighboring nations face significant infrastructure deficits. Consequently, China is addressing its overcapacity issue by investing in foreign nations. It is reallocating extra factories rather than discarding surplus products. China already has an extensive network of roads, railways, and bridges, which reduces domestic demand. Dominic Zeigler asserts that China confronted overcapacity in

⁶ Paul Nantulya, "Africa's Role in China's Multilateralism Strategy," Africa Center for Strategic Studies, 2023, <https://africacenter.org/spotlight/africa-china-multilateralism/>

⁷ Nadège Rolland, *China's Eurasian Century? Political and Strategic Implications of the Belt and Road Initiative*, (National Bureau of Asian Research, 2017).

⁸ Yiping Huang, "Understanding China's Belt & Road Initiative: Motivation, Framework and Assessment." *China Economic Review* 40 (2016): 314–321.

steel, cement and various other sectors by exporting under BRI rather than by curtailing production. The entire trade volume between China and BRI countries is rising, indicating these nations' capacity to accommodate China's persistent industrial overcapacity.⁹ To address the issue of overcapacity, China implemented the International Capacity Cooperation (ICC) strategy in 2015, facilitating the transfer of capacity abroad to establish an offshore industrial chain. "China is looking to use OBOR as a way to ship its own domestic overproduction offshore." If this overcapacity was not exported, then it could create bankruptcies of SOEs and ultimately a decline in national income. According to data, China's trade with BRI countries is increasing approximately 8% faster than with non-BRI countries.

The potential deceleration in growth rate poses a challenge for China, and the BRI is assisting in addressing this issue. In 2013, China's growth was approximately 7.6%, the worst since 1999 following the Asian financial crisis. The BRI will create new markets for Chinese products, thereby bolstering the nation's economy against possible declines in demand from Europe and the U.S. The BRI is stimulating China's global trade position.¹⁰ China maintained high saving rates, frequently surpassing 40% of its GDP, which helped it to earn excess capital. It possesses substantial global savings reserves, the majority of which are allocated to bonds yielding low yields. In this context, China's state-owned banks like EXIM, AIIB, SRF and CDB, started to provide loans for infrastructure projects in other countries. Chinese foreign investment in infrastructure under the BRI allows for the allocation of surplus savings with substantial returns.

China aims to utilize the BRI to disseminate its engineering standards and technological proficiency to other nations. In the first half of 2015, Chinese enterprises executed 1,401 project contracts valued at \$37.6 billion under the BRI.¹¹ In this way, China will internationalize its standards and minimize the influence of American technical standards. Through DSR, China is exporting its own and different technologies to member countries. Chinese speed and action will help it to become the next global power with its own peaceful standards.

Moreover, the program exports knowledge, trade, technical interchange, and capacity building, thereby, inspiring local communities, promoting

⁹ D. W. Chang and R. A. Scalapino, *China under Deng Xiaoping: Political and Economic Reform* (Macmillan, 1988).

¹⁰ L. Shulin, "China-Pakistan Economic Corridor: A Flagship and Exemplary Project of 'One Belt and One Road,'" *Strategic Studies* (2015): 165–73.

¹¹ Peter Ferdinand, "Westward Ho—The China Dream and 'One Belt, One Road': Chinese Foreign Policy under Xi Jinping," *International Affairs* 92, no. 4 (2016): 941–957.

innovation, and fostering the adoption of ecological development methods. The BRI has potential for equitable, sustainable, and long-term global growth.

Although the BRI is generally considered an infrastructural financing and economic project, it also has considerable geopolitical significance that aligns with China's main strategic goals. It also aims to secure access to critical resources and strategic positions to enhance China's influence in the world as it is trying to get control of minerals in Afghanistan.¹² China is tactically investing in essential maritime and overland trade routes to get control over critical supply routes to impact the global economy, like Gwadar Port in Pakistan and Hambantota in Sri Lanka. The examples demonstrate how infrastructure projects under the BRI fulfill China's dual objectives: improving trade and expanding geostrategic influence.

Moreover, within its structural framework, the BRI serves as an important tool of soft power. China is actively modifying perceptions of people in the world through cross-cultural collaboration, scholarships, media, and people-to-people contacts. It also presents the BRI as value-driven, indicating that it does not interfere in the domestic matters of partner states, respects sovereignty, and focuses on state-led growth. In short, through BRI, China is presenting itself as an alternate world leader and reliable partner.

Despite its presentation as an economic and developmental project, the BRI carries significant military and security implications. The development of infrastructure and logistical frameworks in different countries through BRI increases China's ability to deploy military power in any part of the world to secure its interests. Enhanced access to global ports and transit routes enables it to expedite movement of combat gear, therefore strengthening operational readiness in different regions. The growing control of Chinese stakeholders, businessmen, and assets in strategic domains has called for the development of innovative security strategies, thereby minimizing the difference between civilian and military roles. The combination of these geostrategic features underscores that the BRI is not a simple economic initiative; it is a strategy with the aim of increasing China's global influence and reshaping the international order.¹³

¹² S. Liaqat and A. H. Abbasi, "Afghanistan in China's Grand Strategy," *The Diplomat*, August 4, 2023, <https://thediplomat.com/2023/08/afghanistan-in-chinas-grand-strategy/>.

¹³ William A. Callahan, "China's 'Asia Dream': The Belt Road Initiative and the New Regional Order," *Asian Journal of Comparative Politics* 1, no. 3 (2016): 226–43, <https://doi.org/10.1177/2057891116647806>.

Interdependence through BRI

The BRI has progressed from its key role as a developmental plan into a strategic tool to improve links between the economies of China and member countries across Asia, Africa, Europe, and beyond.¹⁴ The BRI supports economic linkage by funding infrastructure projects like seaports, railways, road networks, and energy plants. These projects strengthen connectivity and facilitate the interdependence of recipient countries in the Chinese-led trade economic model, corridors and supply networks. Several states rely on China for economic well-being, as they utilize Chinese capital, expertise and technology to improve their infrastructure.¹⁵

To fund BRI, Chinese banks and financial institutions provide loans, grants and aid to member countries. This financial support ties the member countries to Chinese creditors, thereby linking their financial condition to the strength of their relations with China. Simultaneously, BRI encourages policy coordination, harmonization in trade policies, uninterrupted trade, people-to-people contact and infrastructure development. In combination, these principles eliminate hurdles in cooperation, so they support interdependence.

In addition to these principles, the BRI encourages administrative and societal engagement. Comprehensive programs have been developed to improve cultural engagement, education, and people-to-people contact to align with infrastructure development. Since states benefited from having cordial relations with China, these steps boost mutual benefits and create a suitable environment for political coalition. This interdependence uncovers that any deterioration in relations will increase costs for both parties during times of political or economic uncertainties. The interdependence encouraged by the BRI functions as a stabilizing influence, promoting ongoing collaboration and engagement between China and the world.¹⁶

Case Studies

China-Pakistan Economic Corridor (CPEC)

The China-Pakistan Economic Corridor (CPEC), a flagship project of BRI in Pakistan, characterizes development and partnership between both

¹⁴ Alves, Ana Cristina, Xue Gong, and Ming Li. "The BRI: A New Development Cooperation Paradigm in the Making? Unpacking China's Infrastructure Cooperation along the Maritime Silk Road." *World Development* 169 (2023): 106280

¹⁵ Jyrki Kallio, "China's Belt and Road Initiative: Ambiguous Model Veiled in Straightforward Pragmatism." *East Asia* 40, no. 3 (2023): 229–242.

¹⁶ William A. Callahan, "China's 'Asia Dream': The Belt Road Initiative and the New Regional Order," *Asian Journal of Comparative Politics* 1, no. 3 (2016): 226–43, <https://doi.org/10.1177/2057891116647806>.

countries. CPEC is expanding Pakistan's industrial and economic capabilities by investing in different projects like transportation infrastructure, energy, and special economic zones. This was particularly true during a challenging period when Pakistan's traditional ally, the United States, was reducing its assistance. Since CPEC started in 2015, it has helped Pakistan to deal with energy shortages, modernize infrastructure, and generate new trade and investment opportunities. These developments not only benefited Pakistan but also presented an opportunity for integration and economic stability in South Asia due to the strategic location of Pakistan. Few people in Pakistan have raised concerns regarding the transparency of agreements, security issues, financial sustainability, employment opportunities, and local land usage of CPEC. However, despite a few minor problems, CPEC is helping Pakistan economically and politically and improving its image in the world. According to data, the CPEC has raised Pakistan's GDP from 3.7% in 2013 to 5.8% in 2018, resulting in a huge inflow of FDI, almost 85,000 jobs created, reduced regional disparity and positioning it as a key member in global trade.¹⁷

Sri Lanka and the Hambantota Port

The Hambantota Port is a deep-sea port in the southern part of Sri Lanka, which is almost 10 nautical miles away from east-west shipping lanes. In 2008, construction of the port was started with Chinese assistance, and in 2017, it was rented out to a Chinese state-owned enterprise for 99 years. It was a decision that gave adversaries an opportunity to question the intentions of BRI projects. They propagate that states should be careful while joining BRI projects, ensure transparent governance, and preserve local autonomy. Despite these issues, the port is beneficial for Sri Lanka to improve logistical infrastructure, regional growth, and employment opportunities for local people. The port has reduced Sri Lanka's dependence on Colombo Port, provided significant foreign direct investment (FDI), generated revenue, and improved its standing in international trade. All these points indicate that China's projects are generating economic and political benefits for Sri Lanka and South Asia.¹⁸

Central Asia and Overland Connectivity

Another case study is connectivity in Central Asia through BRI, which revived ancient Silk Road trade networks of the Han Dynasty and created a new age of regional cooperation. In Central Asia, China made huge

¹⁷ D. M. K. Afridi, N. A. Naru, A. Asif, M. M. Khan, and F. Ahmed, "Impacts of CPEC on Political Economy of Pakistan: From Terror Victim to Regional Economic Hub," *Journal of Xi'an Shiyu University, Natural Science Edition* 19, no. 7 (2023): 674–85.

¹⁸ J. U. Haroon, "China Bangladesh's Top Trading Partner in FY24," *The Financial Express*, December 11, 2024, <https://today.thefinancialexpress.com.bd/last-page/china-bangladeshs-top-trading-partner-in-fy24-1733855492>.

investments in energy infrastructure, roadways, and railroads. Overland routes through Central Asia are connecting previously isolated regions to increase business opportunities for Central Asian countries.¹⁹ This is helping them to diversify their economies, minimize dependence on traditional trade partners, attract FDI, create new jobs, bring new technologies and increase their integration into the global economy. Furthermore, better connectivity through BRI has created some new sectors that are attracting investment from different countries. The strategic location of Central Asia will help connectivity between east and west, create alternate trade routes to reduce transportation costs, and provide new supply chain and business opportunities to foreign companies.²⁰ In short, Central Asia is benefiting from investment under BRI and providing the world a unique opportunity to connect and integrate. This provides Central Asia, China and the world a unique opportunity to increase interdependence to minimize conflicts and bring peace and prosperity to the world. Nevertheless, the complicated geopolitical and geo-economics situation of the region, with a tug-of-war among major powers and internal challenges, demands rational decision-making to gain the full benefits of the BRI.

BRI as a Part of China's Global Strategy

Initially, China implemented steps to enhance its influence over regional countries, particularly ASEAN, but the BRI signifies an expansion of China's strategic vision on a global scale. The primary objective of this initiative is to enhance China's global connection. It is a combination of legacy and contemporary projects, encompassing a vast geographic area and aimed at enhancing hard infrastructure, soft infrastructure, and cultural connections. President Xi Jinping asserts that the BRI is "the project of the century," projected to invest approximately \$5 trillion in infrastructure investments across member nations. According to the Green Finance & Development Center, total engagement of BRI from 2013 to 2023 has reached \$1.05 trillion, encompassing \$634 billion in construction contracts and \$419 billion in non-financial investments. In 2023 alone, data indicate that about \$92.4 billion in new deals marked an 18% increase from previous years.

The BRI has the potential to augment China's worldwide influence and facilitate its objective of becoming a world leader, as it covers 64% of the world population and 30% of international GDP. Under BRI, China is

¹⁹ Li, Y., Y. Zhao, and X. Yao. "Does the Belt and Road Initiative Upgrade the Global Value Chain for BRI Countries: Revealing the Substantial Role of Infrastructure." *International Review of Economics & Finance* 89 (2024): 832–842.

²⁰ J. Jiang, "China Leading the Race for Influence in Central Asia," (Danish Institute for International Studies, 2022): 1–4, <https://www.diis.dk/en/research/china-leading-the-race-influence-in-central-asia>.

constructing roads and railways to increase connectivity between states, which will minimize travel time for goods, therefore, speeding up the movement of its goods to international markets.²¹ This will minimize transportation costs and ultimately lessen the production costs of Chinese products. In this way, Chinese products will have a competitive edge and a high profit margin in the global market. This will increase China's share of global merchandise exports to 15.4% in 2023 after BRI from 12.8% in 2013 before BRI. According to data, before BRI, China's share in world trade was approximately 10%, but after BRI, it has reached 25.5% of maritime trade because of its involvement in global trade.

With less travel time and transportation cost, China will be able to manage a more efficient and smoother supply chain. It will help China to efficiently manage the import of raw materials and the export of finished goods. Hence, through an efficient supply chain, China will be able to access markets in Central Asia, Africa and Europe, which were historically difficult to access. This initiative will increase China's influence in these countries.²²

With improved infrastructure, China will stimulate growth in less developed areas. Through BRI, China is integrating its less developed areas in the west with the broader economy, which will lead to more regional development. These improvements will make China an attractive spot for new investment and FDI opportunities.

Through improved infrastructure, pipelines, roads, ports and railways, China will be able to import oil, gas and coal from Central Asia, the Middle East and Russia, which will ensure energy security for its booming economy.²³ BRI is helping China to diversify its energy trade routes and availability of raw materials at less cost.

Through the development of faster trade routes under BRI, China is positioning itself as a global leader in infrastructure and trade by increasing its exports. In 2023, China's goods exports have reached \$3.73 trillion from \$2.2 trillion in 2013 before BRI. Hence, BRI is helping China to enhance its influence over the world and position itself as a hub in the global economic

²¹ Peter Holt, "A Truly Friendly Neighbor? The Motivations behind China's Belt and Road Initiative in Its Periphery," Institute of World Politics, June 17, 2020, <https://www.iwp.edu/articles/2020/06/17/a-truly-friendly-neighbor-the-motivations-behind-chinas-belt-and-road-initiative-in-its-periphery/>.

²² Robert O Keohane and Joseph S. Nye Jr. *Power and Interdependence: World Politics in Transition*. Little, Brown and Company, 1977.

²³ S. Manzoor, "China's Grand Strategy in the Asia-Pacific Region: An English School Perspective," *Margalla Papers* 25, no. 1 (2021): 81–91, <https://doi.org/10.54690/margallapapers.25.1.53>.

network. With enhanced commerce and connectivity, Chinese ports such as Shanghai, Tianjin, and Shenzhen will emerge as global trade hubs.

By controlling transport routes through BRI, China can exert its economic leverage and increase its political influence in areas where historically the U.S. had control. In this way, China will emerge as a world power. Under BRI, China is developing high-speed railways in different countries, which is helping it to showcase its technological expertise in construction, engineering and logistics. In this way, Chinese companies are getting international recognition and becoming leaders in infrastructure development worldwide. China is providing economic support to BRI projects through different banks like AIIB and Silk Road Fund (SRF), Export-Import Bank of China (EXIM), State Administration of Foreign Exchange (SAFE), China Development Bank (CDB), and People's Bank of China (PBOC). In this way, China is internationalizing its financial institutions in competition with Western-led institutions.²⁴

Under BRI, increased movement and travel in the country, interregional, and globally will increase people-to-people contact and cultural and diplomatic ties between China and member countries. Therefore, this will strengthen China's bond with member countries and improve its soft power. According to data, before BRI, almost 97 million Chinese people made outbound trips, but after BRI, it reached 130 million in 2024, although still only 13% of Chinese people have passports. BRI will help to increase connectivity and interdependence in member countries, hence minimizing their differences to achieve regional peace and stability. It is Chinese philosophy that they promote peace and stability through infrastructure and reduce the likelihood of conflict among countries.

Moreover, China is exporting its technical standards in critical industries like digital infrastructure, high-speed rail, and telecommunications, particularly through entities like Huawei and 5G networks, via BRI. China's ability to create and spread new global standards allows it to redefine international trade and investment regulations. In this way, China is aligning global standards with its industrial capabilities and strategic goals.²⁵

Through infrastructure investments, the BRI is enhancing China's influence globally, like increasing maritime influence in the Indo-Pacific by constructing strategic ports, through rail and road networks in Central Asia and Europe, and through rail, roads and ports in South Asia. In Africa, China

²⁴ Victoria Harrison and Daniele Palumbo, "China Anniversary: How the Country Became the World's 'Economic Miracle,'" BBC, 2020, <https://www.bbc.com/news/business-49806247>.

²⁵ Tim Summers, "China's 'New Silk Roads': Sub-National Regions and Networks of Global Political Economy." *Third World Quarterly* 37, no. 9 (2016): 1628–1643.

is investing in military bases, railways, road and dam projects; in the Middle East, it is investing in energy and port collaboration projects; and in Southeast Asia, China is investing in railways, ports and special economic zones. China's main reason for all this investment is to secure supply routes, energy security, geopolitical influence and economic integration. These strategic projects facilitate China's political and security influence in different regions and enable it to efficiently manage regional dynamics to achieve its economic objectives.

Competing Initiatives to BRI

In the current era, while many countries are joining the BRI framework, only a few perceive it as a threat to their supremacy. Although China has framed BRI as a mutual and development-focused project and did not present it as a counter to any country or bloc, still few countries have established alternate infrastructure projects. The United States of America is leading this opposition by launching its initiatives like Build Back Better World (B3W), the Partnership for Global Infrastructure and Investment (PGII), Blue Dot Network, and the Indo-Pacific Economic Framework (IPEF). Although the U.S. did not frame it as anti-BRI, their scope and purpose is to pull countries away from BRI by investing hundreds of billions of dollars for infrastructure financing in developing nations.²⁶ The U.S. claims that its initiatives will prioritize environmental protection, labor rights, and transparency, although the initiatives are still on paper and did not have any presence. The European Union (EU) also launched the Global Gateway plan in 2021, a €300 billion project in Africa, Latin America, Asia and the Indo-Pacific region. Main goals of the plan are to create global digital connectivity, transportation, renewable energy, and health infrastructure, and research and educational networks. In the Global South, these plans aim to provide alternatives to the BRI in critical areas.

Although these projects are still in the initial phase and lack on-the-ground presence, they are still hindering the environment in which the BRI functions. The U.S. perceived China's progress as a threat, so it has launched a counter-China policy and described it as the number one threat in its National Security Strategy in 2022. In this context, U.S.-China competitiveness is increasing in every field like trade, global influence, and technology. This is the reason that the U.S. launched a trade war with China since 2018.²⁷

²⁶ Kishore Mahbubani, *Has China Won? The Chinese Challenge to American Primacy* (Public Affairs, 2022).

²⁷ E. Sayers and I. Kanapathy, "America Is Showering China with New Restrictions," *Foreign Policy*, February 15, 2022, <https://foreignpolicy.com/2022/02/15/us-china-economic-financial-decoupling-controls-restrictions-sanctions/>.

In South Asia, India is the only country that is taking anti-BRI measures, mostly due to CPEC. India claims that CPEC is passing through its territory, which is negated by Pakistan, and China also states that “CPEC is an economic project and has nothing to do with the territorial dispute.” These countries are creating a grouping to derail the BRI; however, China is moving rationally to make the project successful.

Criticism on BRI

China presents the BRI as a means of mutual well-being and progress; nevertheless, critiques show a different reality. Many countries understand that BRI projects increase Chinese control over critical infrastructure like railways, ports, and power grids in member countries, although it has no reality, but still, it is creating skepticism among global powers and allied nations. Critiques argue that although the BRI permits member countries to implement their own development plans, still few countries have become dependent on Chinese funding, which is a major reason for apprehension about debt-trap diplomacy. They claim that China is deliberately creating this situation to control their essential resources. The member countries are weaker in comparison to China and therefore have less strength and autonomy in negotiations with China; this hampers their ability to negotiate better terms to fulfill their interests.²⁸

Moreover, BRI projects are facing significant regional opposition and political pressures. In many countries, local communities are protesting about land rights, environmental degradation, bad working environment and labor rights. In a few countries like Sri Lanka, Malaysia, and various African nations, change in political leadership is increasing anti-BRI sentiment, which may lead to the closure of BRI, international conflicts, and instability. The main criticism of BRI is due to governance, environmental concerns, inadequate transparency in bidding and application procedures, and corruption. The projects are driven more by elite collusion and political connections than by actual public interest, which can lead to socioeconomic disparities in member countries. In the West, BRI is portrayed as a source of pursuits of neo-colonial rule, which is hurting China's efforts to present itself as a kind and responsible global leader and weakening its reputation internationally.

In a few countries and regions, infrastructure and economic projects under BRI boost China's soft power as the projects are creating infrastructure development, improving connectivity, expanding energy access, promoting

²⁸ Andrew J. Nathan and Andrew Scobell, “How China Sees America,” (RAND, September 2012), <https://www.rand.org/pubs/commentary/2012/09/how-china-sees-america.html>

trade, facilitating poverty reduction and economic development. However, few countries have a negative perspective towards BRI due to the propaganda of a few anti-BRI countries.

Few countries that have limited access to innovative technology and capital are getting Chinese investment, which is considered a success of BRI. This has increased South-South cooperation, enabling poor countries to solve collective issues and establish mutual relationships without Western-centric frameworks. This is a substantial change in the field of global development.

Response towards BRI

The response of the global community towards the BRI has been different according to the location, economic position, and strategic interest of the states. Some countries are highly enthusiastic towards the BRI, and few are skeptical. If we assess the response of countries region-wise, then in Asia, we see that a lot of countries in South Asia, East Asia and Central Asia are enthusiastic towards BRI like Pakistan, Sri Lanka, Bangladesh, Myanmar and Kazakhstan. The countries recognize China as their partner, and China also sees them as a crucial partner in BRI. In Africa, the countries are poor and lack development; therefore, BRI is a source to increase regional connectivity, trade and job creation. China considered Africa as a vital region for BRI; therefore, there are countries like Kenya and Ethiopia that are getting huge capital and investment from China under BRI.

In Europe, the countries had mixed responses towards BRI. There are few countries like Italy and Greece, which have an enthusiastic response, and Germany and France, which show a cautious approach. They consider BRI a long-term strategic rival and a violation of European norms and values. As a whole, the European Union has launched its own project, “Global Gateway,” to counter the BRI. The EU claims that the project focuses on environmental sustainability, green energy and transparent practices.²⁹

In Latin America, the countries are searching for investment to increase development and trade; therefore, they are inclined towards the BRI. In the region, Brazil Argentina and Venezuela see Chinese investment in energy and transportation as a source to improve the economic situation and deal with internal and external challenges.

The United States and its Western allies are mainly critical of the BRI, as they are framing it negatively in the world. The U.S. is trying to counter and

²⁹ M. B. Lozano and S. Yaman, “The European Financial Crisis and Firms’ Cash Holding Policy: An Analysis of the Precautionary Motive,” *Global Policy* 11, suppl. 1 (2020): 84–94, <https://doi.org/10.1111/1758-5899.12768>.

limit participation of countries in the BRI, initially through propaganda and then by launching its own projects like Blue Dot Network. The U.S. sees BRI as a threat to its hegemony, trade and security dominance; therefore, it is trying on every scale to fail BRI. India is another country that is opposing the BRI on every scale because it sees the BRI as a threat to its sovereignty and regional hegemony. India claims that CPEC passes through a contested region; therefore, it is a violation of its sovereignty. Therefore, regionally, it is trying to limit the participation of small countries like Nepal, Bhutan and the Maldives by providing them aid and the threat of countermeasures.

The disagreement of a few countries on BRI and their counter projects is creating rival trends in the geopolitical world. Despite these problems, there are a lot of countries that see the BRI as a current international development initiative. In order to become more successful, the BRI should emphasize inclusiveness, accountability and adherence to international best practices. This can increase the development and create a more interconnected global economy.³⁰

Conclusion

The BRI is a framework through which China aims to improve its domestic economy, create economic interdependence, and foster its influence in the world. This development project not only increases connectivity, development and investment opportunities but also helps China to improve its influence in the world. However, the influence is a byproduct of development rather than China's explicit agenda. Through BRI, China is exporting economic prosperity, cooperation, and development for mutual gains rather than asserting control or unilateral advantages.

Despite the positive purpose of the BRI, few countries are assuming it is a threat to their regional and global hegemony, and they launched their campaign against the project. The countries should realize that the world wants a new and inclusive development model in the shape of the BRI; therefore, it is admiring and generically attracted to this development model. In this situation, the counterstrategies to fail the BRI could be more or less fruitful, and they should work in line with China to deal with the current world's problems.

China's response towards opponents is rational and constructive, but it has to minimize this opposition to make the project successful in a short time. It has to increase the pace of its already commenced work on a few genuine

³⁰ A. Jayathilaka, "BRI as an Avenue of Small States' Economic Diplomacy with a Global Power (A Study Based on Sri Lanka)," *SSRN Electronic Journal* (2021), <https://doi.org/10.2139/ssrn.4196092>.

criticisms to minimize opposition. The BRI is no doubt a project of the century that focuses on mutual respect, connectivity and interdependence rather than an explicit agenda to exert its control over the world. The BRI is positively impacting world affairs by focusing on mutual benefit, sustainable development, and inclusive globalization, but its success depends upon the active and positive contributions of all stakeholders.

The BRI embodies the intricacies of a changing global order, linking geopolitical elements to economic initiatives. Ensuring a more collaborative global framework will depend upon understanding and addressing these matters as the project progresses.

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