

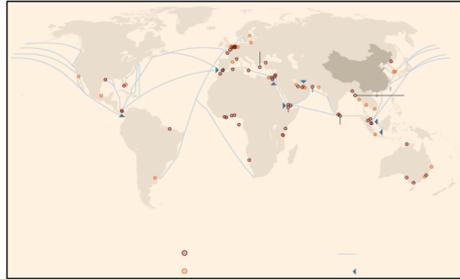
The Belt and Road Initiative (BRI): China's Long March to 2049

Getting to 2049: BRI 3.0

Introduction

One Belt One Road (OBOR), now officially Belt & Road Initiative (BRI), started out as a Chinese trade-related infrastructure development program with western Europe being the targeted market. BRI is part of China President Xi's more aggressive "Go West" strategy. The motivation was to spread beyond and accelerate the "going out" policy developed by Deng Zhao Ping a few decades ago.

A map of OBOR/BRI activities (such as port contracts) is one with a lot of dots on it (Financial Times, 2017). The dots represent locations in which China has a formal investment of some sort: It is hard not to want to connect those dots.



The "dots" identify "functional" islands (coastal ports, airports, free trade zones and inland transportation "hubs," etc. with which China has a formal investments. One writer noted that China does not have a road map to the future, but It needs one (Ang, 2017).

China's BRI

- To outsiders, there is no clear plan. Did China plan it the way it has been developing?
- To an outsider BRI is a set of **bilateral** infrastructure activities to enhances its trade with the world, not just Europe.
- Some assume China is on a hegemonic path at the regional level and, later, at the global level.
- Troublesome for China's next phase of BRI is the absence of a transparent plan. Outsiders are defining what BRI is for China and it is mostly negative.



People with their eyes covered, were asked to identify the object that they were touching. In a way, this is could apply to people searching for China's reasons behind its BRI activities



Chinese writers of OBOR articles make explicit "what OBOR is not" (Glantz et al, 2019). They cannot say what OBOR actually is until the government makes it clear. Doing so now, however, may reduce China's options in the future.

According to China, BRI is not ...

- Not a plot;
- Not a rival to the US;
- Not seeking maritime domination;
- Not just one road;
- Not reconstructing geopolitical or economic global maps;
- Not isolationist; just a 'Made in China' society;
- Not a unilateral strategy to benefit only China;
- Not a Marshall Plan;
- with geopolitical ambitions;
- Not creating a China club;
- Not responsible for Africa debt; etc.

What BRI is not!

What is an Archipelago?

- An archipelago in the 1982 UN Law of the Sea Convention (UNCLOS III)
 - It is an official geographical definition
 - It has political, economic and security implications
- There are two basic archipelagic types:
 - coastal and open ocean
- BUT... there are 3 definitions for Archipelago

The 1982 United Nations Convention on the Law of the Sea

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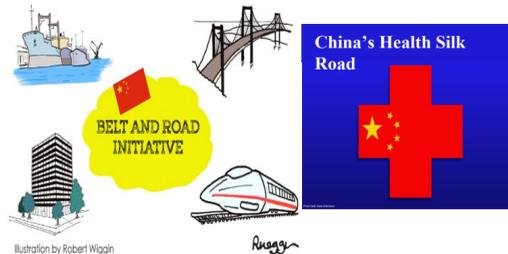
China's BRI as a Super Archipelago, According to the third definition of archipelago

- It is a **functional** archipelago based at first on economics, through trade connectivity with distant places.
- Not just geographic islands & archipelagos.
- Initially focused on enhancing trade with western Europe and countries in-between. Now, BRI has worldwide outreach (e.g., infrastructure development loans).
- Functional archipelagos have rights and responsibilities as do geographic and political ones.



As a functional archipelago, what does China's BRI do?

- A current Snapshot ...
- BRI has projects on each continent
- BRI has bilateral agreements for inter-state trade, loans, markets, rail lines, roadways, etc.
- It brings infrastructure-related development projects to developing countries
- All BRI roads lead to Beijing?
- There are over 70 BRI partners



BRI 1.0; 2.0; 3.0; ... to BRI N.0 ?

On the "Long march" toward President Xi's Dream, there are obstacles

- China cannot leapfrog from what it is doing in the present to what it wants to create by 2049.
- Over the next 30 years, it must pass through domestic and international trials and tribulations (economic, political, social, cultural)
- It needs to make explicit its operational as well as long-term goals, as it did for "Made in China 2025." That is, objectives it wants to meet along the way until it has attained its 2049 stretch goal of what it wants to be. (What is the political and economic costs of doing so?)
- One could argue that BRI is at BRI 3.0. It is a crossroad. It must decide which structural path to take: colonial metropole? Hegemon, regional or global; formal [with institutional structure] or informal? Superpower? Commonwealth?

Which path forward will China's Belt and Road Initiative take: toward a regional or global superpower? Creating a commonwealth? Becoming a metropole? Creating a formal alliance or just a loose affiliation like a Group of 70+1 (e.g., + China)?



Can BRI get to there (2049) from here (2022)?

- Why it is important for China to state explicitly what BRI's administrative structure is!. At present it can be viewed as a BANK or as an AID agency. It talks about multilateralism but almost exclusively is operating bi-laterally.
- Have some BRI practices been obstacles to China's ability to achieve the Dream by 2049?



BRI has not been developing in an economic or political vacuum: two examples

The impacts of Covid-19 on the future of the BRI

Perhaps one the most important impacts of Covid-19 outbreak in Wuhan, China in late 2019, it provided for a slowdown and a re-evaluation of Chinese loans to developing economies, while at the same time providing previous as well as potential loan recipients to rethink their need for and cost of their desired development-related infrastructure projects. In other words, Chinese enterprises had time to reassess their approach to providing loans to weak economies. When some of those projects could not meet their loan obligations, it seemed that China took advantage by taking control if now ownership of such projects. China's loan practices were labeled as "debt trap diplomacy." Wu and Wong (2020) provided the examples below of different media headlines of a more favorable view of a BRI post-pandemic future.

- "The notion of 'health silk road' could cover up Beijing's mistakes in handling early stages of coronavirus outbreak."
- "In health, China has consolidated its leading role among belt and road partner nations as the coronavirus outbreak has spread."
- "COVID-19 is a golden opportunity for China to demonstrate leadership and responsibility."
- "Its ability to meet the demands of countries --- especially those with less developed public health systems --- could also give China an opportunity to draw a veil over its mistakes in the initial stages of the virus outbreak."

"Russian Invasion Inflicts Collateral Damage on China's BRI Agenda"

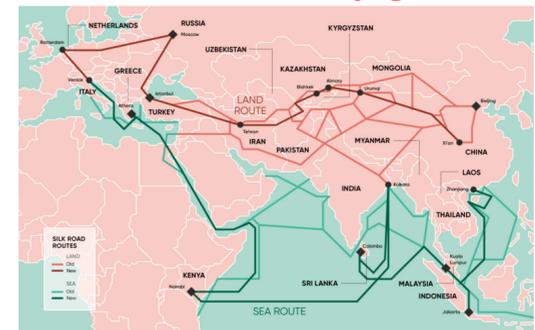
"As the EU and the U.S. intensify economic sanctions to Russia, the operations of the New Eurasian Land Bridge - also dubbed the Iron Silk Road - will be hampered. The railway corridor is an important branch of the BRI, helping to bring Chinese goods to European consumers. It consists of a network of railways that span two continents, departing from China, passing through Central Asia and finally arriving in Western Europe. With almost half of the routes passing through Russia, it will definitely come under pressure from ever-increasing sanctions." (B.G. Kinyua, maritime-executive.com 3/7/22)

Via BRI, is China becoming a Superpower or global hegemon or something in-between?



As a superpower, the problems for China are several: it lacks transparency. It spends as much time tell others what it is not as it does with saying what it is doing in different regions; some of its actions undermine superpower status (south china sea take-over); funding projects that have no chance of being paid back on the loans; questionable projects; no care about internal political situations . With superpower status comes responsibilities as well as rights.

"At one time in history, all roads led to Rome." Will all roads in the future lead to Beijing?



- There are many ways to get to Rome or anywhere for that matter. The question is about what one wants to see along the way.
- For BRI all roads will lead to Beijing. The pathway there will, however, depend on the nations involved in BRI's network on China's long march to 2049. Each nation will have its own tactical operational goals that have to be respected by China. Also, there can be surprising unanticipated factors that influence BRI's future over the next 2 decades, such as the recent outbreak of Covid-19 and the most recent Russian invasion of the Ukraine have shown,

- China has many infrastructure-related activities around the globe on land, sea and in space. Added together, there are many.
- China's economic presence if not political is worldwide
- Most of its trade and so-called aid activities are done bilaterally. China does not show an excel spread sheet. So, it is for others to figure out



(Source: Craig Stephens, South China Morning Post)