



A Review of Objectives and Motivations of the Belt and Road Initiative

Wanggan Yang^{1, *}, Weili Hu², Eleanor Collins³, Wangxin Yang⁴,
Kingsley Esedo¹

¹ Department of Public Policy, Southern University and A&M College, Baton Rouge, LA 70807, USA

² Department of Civil and Environmental Engineering, Louisiana State University and A&M College,
Baton Rouge, LA 70802, USA

³ Southern University Law Center, Southern University and A&M College, Baton Rouge, LA 70807, USA

⁴ Nanning Albert Technology LLC, Nanning, Guangxi 530031, China

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Abstract

The Belt and Road Initiative implementation began in March 2015 and is China's most ambitious foreign trade and investment strategy. It has been described by the Chinese government as the country's "second opening", after Deng Xiaoping's 1979 model which led to China's rapid growth over three decades. This paper briefly introduces the Belt and Road Initiative and describes the initiative's vision and objectives. Then the paper explores the motivations of China to promote the Belt and Road plan through reviewing scholars' perspectives on this matter. Finally, the author raises concern on the sustainability of the initiative due the Covid-19 travel restrictions and China's Covid-zero policy.

Keywords: The Belt and Road Initiative, One Belt and One Road, Objectives, Motivations

I. Introduction

Chinese President Xi Jinping first launched the Belt and Road Initiative (BRI) in 2013 with the

aim to rebuild the Silk Road and connect major Eurasian economies through infrastructure, trade and investment when he visited countries in Central Asia and Southeast Asia. The initiative was later specified to contain two international trade connections: The land-based "Silk Road Economic Belt" and oceangoing "Maritime Silk Road". Since its launching, the Belt and Road initiative has steadily gained in importance as a major element of Chinese foreign policy. It was presented as the key focus of China's diplomacy in 2014 and 2015, and as an essential element of Beijing's attempt to deepen economic reform within China and stimulate development in China's western regions. The potentially multitrillion dollar scheme, which Beijing calls the Belt and Road Initiative or One Belt and One Road Initiative (Figure 1), has generated enthusiasm and high hopes but also skepticism and wariness throughout the region and in capitals across the world.



Figure 1: Routes of the China's Belt and Road Initiative



II. Vision and Objectives

The goals of the initiative are to “promote the connectivity of Asian, European and African continents and their adjacent seas, establish and strengthen partnerships among the countries along the Belt and Road, set up all-dimensional, multiter and composite connectivity networks, and realize diversified, independent, balanced and sustainable development in these countries.” (NDRC, 2015) The initiative implementation began in March 2015 and has a prominent place in China’s 13th five-year plan, released in October 2015 (Leng, 2015), and is the country’s most ambitious foreign trade and investment strategy. It has been described by the Chinese government as the country’s “second opening”, after Deng Xiaoping’s 1979 model which led to China’s rapid growth over three decades. President Xi Jinping has said that BRI “should be jointly built through consultation to meet the interests of all, and efforts should be made to integrate the development strategies of the countries along the routes. It is not closed but open and inclusive; it is not a solo by China but a chorus of all countries along the routes.” (Xi, 2015)

In a report released by China-Britain Business Council in September 2015, it describes the explicit and implicit objectives of BRI. Explicit objectives include:

- Prosperity for underdeveloped parts of China, particularly in the west of the country.
- Increased connectivity and economic development along both routes through the movement of goods, services, information and people and the exchange of culture.

- Greater integration between China and its neighbors.

- Energy security through diversification of import sources.

Implicit objectives include:

- An outlet for domestic overcapacity and overseas investment: China has overcapacity in several sectors, owing to the economic drive and building boom of recent decades. BRI is seen as a viable outlet for excess production capacity. China has also accumulated a large amount of foreign exchange reserves and capital. BRI presents channels for outward investment and the diversification of foreign exchange reserves.

- New markets for Chinese products and services: Diversifying export markets, especially in developing countries, will extend the lifecycle of Chinese products and will lay the ground domestically for the upgrading of traditional industries and the development of emerging industries.

III. Motivations behind the Belt and Road Initiative

The Action Plan on the Belt and Road Initiative, published by the State Council of China, does not provide convinced reasons why China promote the initiative. From East to West, scholars explore the motivations behind the initiative and their own view on motivations that China promotes the Silk Road plan. Guo (2014), director of Research Center of One Belt and One Road at China Research Institute of International Studies, offers three reasons that China promotes the initiative.



First reason is to break the “power is bound to tyrants” curse. In human history, the relationship between existing power and rising power is a zero-sum game and the war is inevitable without exception. With the rise of China, the Western, especially the United States, concern that Asia and Africa will be sphere of China’s power influence. Despite China repeatedly pledges to build a harmonious world and live in harmony with the neighboring countries, but the arguments that China want to dominate the world is still rampant in the West. In addition to diplomacy to explain China’s desire for peace at both bilateral and multilateral international relations, it is very important for China to take action to change the traditional mode of thinking. BRI is to build a win-win development and common prosperity. The development of China would benefit the region and the world, which will dispel numerous doubts about China’s development.

Second reason is the need to stabilize the periphery. China is surrounding with unrest periphery for a long time. Terrorism is rampant in West Asia, North Africa, and South Asia. People’s lives are seriously threatened. The extremists also penetrate to Central Asia, Russia and Western China. Most of these area is poverty and backwardness, which is conducive to the proliferation of terrorism. BRI can promote those area’s economic development by building roads and engaging in trade, and help those people out of poverty, and ultimately stabilize the periphery.

Third reason is the need to promote China’s own development, especially in central and western China. After 30 years of rapid development, China’s economic success is large, but unbalanced. Midwest accounted for 80% national area and 60 % of population, but GDP is less than the country’s one third. This requires a new round of opening up. BRI will give Midwest full play to their own advantages with neighboring countries.

Wang (2015a, 2015b), a senior researcher at International Affairs Research Institute of Renmin University of China, believes one motivation for China to promote BRI is rebalancing globalization. Globalization opened up by European and carried forward by the United States. Traditional globalization starts at sea. A huge gap of rich and poor exists between coastal countries and mainland countries. “Western-centric” international order leads to a series of unreasonable imbalance effect. BRI encourages the opening to the western China, Central Asia, Mongolia and other inland countries and regions, and the implementation of inclusive development concept of globalization in the international community. BRI is China’s

westward initiative. China’s high-capacity and comparative advantage industry will benefit countries along the Silk Road in Central Asia and other areas. This goes beyond the gap between rich and poor created by Europeans globalization, and promotes the establishment of lasting peace and universal security and common prosperity of a harmonious world.

In the paper “The Rational behind China’s Belt and Road Initiative”, Djankov et al. (2016) states China’s main interest is to reduce the cost of transporting goods as the world’s biggest trading nation. He believes China has four other motivations to rebuild the Silk Road with the Belt and Road Initiative. First, China is attempting to decrease the economy’s dependence on domestic infrastructure investment and the associated growth that comes with such investment. This means that Chinese construction companies, equipment makers, and other businesses that have thrived on the country’s building boom have to look elsewhere for opportunities. A key motivation for the BRI is to find outlets for these companies overseas. Second, the infrastructure focus helps China in its quest for greater international stature for the Chinese Yuan, to achieve the status of a global reserve currency. The third motivation for the Belt and Road Initiative is to secure China’s energy supply through new pipelines in Central Asia, Russia, and Southeast Asia’s deep-water ports. Fourth, infrastructure development in countries along the Belt and Road routes may increase growth in their economies and thus contribute to a growing demand for China’s goods and services. In March 2015, China’s president Xi Jinping stated that annual trade with the countries along the Belt and Road Initiative would surpass \$2.5 trillion by 2025.

Yang (2022) discussed rationales behind BRI from economic and political perspectives. Economically, China is entering a new development stage called “new normal”. China’s economy is slowing down. After unprecedented high-speed GDP growth rate with double digits for thirty years, China’s GDP growth rate started to fall to below 7% since 2012 (Wang, 2014). Traditional domestic infrastructure investment to stimulate economic growth was ineffective. China’s export-oriented model for economic growth can’t be sustainable. China’s overcapacity of production has been well documented. A viable outlet is needed for excess production capacity.

Politically, the tensions between China and United States have been growing along with the rising global power of China. Beijing believed that the United States deliberately contained China and



strategically hindered China's rise. Many territory disputes arise in the East China Sea and South China Sea since US adopting the "Pivot to Asia" or Asia-Pacific rebalance policy. Beijing believed the rebalance was a reaction to China's arrival as regional/global power. They viewed that rebalance was to contain China and a strategic tool to hinder China's rise (Pham, 2016; Galace, 2017).

IV. Conclusion

In late 2012, just after becoming General Secretary of the Communist Party of China, President Xi Jinping announced the Chinese Dream was achieving the rejuvenation of the Chinese nation. BRI is being compared to the Marshall Plan and considering a key instrument of achieving Chinese Dream and China's economic and political objectives. Since its launching, BRI has steadily gained in importance as a major element of Chinese foreign policy and has made significant progress in policy coordination, infrastructure connectivity, unimpeded trade, and financial integration. However, Covid-19 travel restrictions have been significant damaged global economy and supply chain. China's real estate's crisis and domestic Covid-zero policy have worsened Chinese economy unmeasurably. "Debt-Trap" in host countries has become a key concern. Doubts are rising whether BRI is sustainable.

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