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HOW NOT TO RUN ON FUMES IN THE BRI *Create New Initiatives!*

The Belt and Road Initiative (BRI), China's flagship foreign economic initiative, has hit a few potholes in recent years owing largely to the global health crisis. Barely any new large-scale BRI infrastructure projects have been introduced since the outbreak of Covid-19. Nonetheless, **XUE GONG** assesses that Beijing will seek to keep the BRI alive, as it constitutes an important component of economic statecraft for sustaining China's global influence. Beijing will continue to provide the "China Solution", albeit under ancillary initiatives of different names.



Gilgit-Baltistan's Khunjerab pass is gateway to the Pakistani corridor of China's Belt, which both countries are keen to revitalise after previous setbacks. Photo by Rizwan Saeed on Unsplash.

It has been nearly nine years since China's president, Xi Jinping, announced the Belt and Road Initiative, a trillion-dollar plan centred on infrastructure investment overseas. But the BRI has hit a few potholes in recent years: China's struggle with Covid-19 has

reduced its activism abroad, while the initiative has experienced pushback from some participating countries. Consequently, there have been barely any new large-scale BRI infrastructure projects since the outbreak of the pandemic.

China is currently busy with preparations for the forthcoming 20th communist party congress — a political event which will set the tone for China's economy for at least another five years. Despite its preoccupation with measures to control the spread of Covid-19 and other pressing domestic issues, Beijing has signalled that it has not forgotten its role as the largest developing country, aspiring as it does to provide the "[China Solution](#)" for global governance. At the September 2021 United Nations General Assembly, Beijing unveiled the Global Development Initiative (GDI) to showcase its commitment to global development and restate its growing influence. The idea was reiterated in June this year at the High-level Dialogue on Global Development (hereafter, *the Dialogue*) held on the sidelines of the 14th instalment of the summit involving the leaders of Brazil, Russia, India, China, and South Africa, or the BRICS countries.

Like the BRI, which is defined in the 2021 white paper [China's International Development Cooperation in the New Era](#) as China's public good for global development, the GDI was introduced to project a benign international image and show that China intends to contribute to global governance for world development. Beijing's unveiling of the GDI furthermore [declares](#) in the face of rising global uncertainty and intensifying tensions with the West, that China must "take the initiative to seek change, and successfully capture and create opportunities during crises and difficulties".

But, unlike the BRI, which mainly focuses on large-scale physical infrastructure, the GDI pays attention to a wide range of areas in international development cooperation such as poverty and hunger reduction, accessible clean energy, and global health governance. Compared to the BRI, which employs Chinese unilateral lending, the GDI appears more catered to achieving the UN Sustainable Development Goals for 2030, through multilateral platforms. To kick-start the GDI, Beijing launched the [Group of Friends of Global Development Initiative](#) at the UN headquarters in January 2022, and subsequently held a high-level meeting in May.

Positioning the GDI

Clearly, the GDI partakes of a multi-pronged Chinese approach, and is simultaneously anchored within the South-South cooperation narrative, which constitutes a multilateral approach. Preliminarily to the GDI and as early as 2015, President Xi had pledged US\$2 billion to establish a [South-South Cooperation Assistance Fund \(SSCAF\)](#) under UN auspices. Two years later, at the Belt and Road Forum for International Cooperation, China pledged an [additional US\\$1 billion](#) towards the fund. Then, to take concrete action under the GDI framework, Xi later said at the Dialogue that China would upgrade the SSCAF to a Global Development and South-South Cooperation Fund (GDSCF), and add \$1 billion to the fund on top of the \$3 billion already committed under the SSCAF. To complement this South-South initiative, Xi too promised at the Dialogue to increase China's contribution to the [UN Peace and Development Trust Fund](#), a US\$200 million fund which was established by China in 2016.

Through the GDI, Beijing hopes the global community will see China as upholding a global governance system that is “[more just and equitable](#)”. At the Dialogue, Beijing [made known its readiness](#) to work with partners to “add more substance to the GDI and contribute to stronger, greener and healthier global development”. Beijing believes that speaking a language of development cooperation would help to establish its image as a stabiliser for international peace, supporter of multilateralism, and defender of globalisation, in contrast to the United States, which, in [its view](#), possesses a “Cold War mentality” and is the “largest source of disruption to the actual world order”.

Beyond the GDI’s vision of international cooperation, Beijing has nevertheless yet to explain how exactly it will offer assistance. The initiative lacks detail in monetary terms, a pressing concern for developing countries suffering from the global health crisis, disrupted food supply chains, and debt issues. The sum that China has pledged thus far under the GDSSCF is essential and certainly will be welcomed by the international community. But it pales in comparison with the sums invested under the BRI. Even a single BRI project like the Sino-Laotian railway, costing a whopping US\$5.9 billion, easily exceeds the total aid presently promised by China under the GDI.

Why Now, But Why Not?

There are several reasons why Beijing has chosen this moment to promote the GDI. The world is currently facing multiple crises, ranging from pandemic-induced economic problems, global energy and food insecurity following Russia’s invasion of Ukraine, and the US-China partial decoupling. It is therefore a propitious moment to launch initiatives to tackle these issues. Capitalising on the GDI, Xi has proposed several other multidimensional initiatives. For instance, at the recent BRICS summit, he announced a [series of plans and proposals](#), such as the BRICS Initiative on Enhancing Cooperation on Supply Chains, and the Initiative on Trade and Investment for Sustainable Development.

However it attempts to play down geopolitical tensions and revive voices in global development, it has to be said that the GDI carries much political baggage which gives the West cause to be wary of the initiative. First, the GDI represents a fundamental shift from the Western concept of development. Beijing’s concept of development emphasises high economic growth and material living standards. The West’s concept, on the other hand, highlights human rights as a necessary element of development, which is a contentious area for China. In spite of assurances by Beijing to [never export the China model of development](#), the differences between the Western and Chinese approaches to development have already become a source of friction leading to competing claims of superiority.

The second reason for promoting the GDI now is its placement in parallel with another initiative — the Global Security Initiative (GSI), proposed by Xi in April this year at the Boao Forum for Asia. Branded as another global public good that China provides, the GSI is said to contribute Chinese solutions to address global security challenges. It is unclear whether and how the GSI might be connected to the GDI or the BRI. But, considered to be the Chinese [proxy endorsement for the Russian invasion](#) of Ukraine, the GSI reflects the fact that China does not share the Western concept of security. Counterproductively, China’s suggestion that Russia has legitimate security concerns

in the Ukrainian affair, as well as its reluctance to condemn the Russian invasion, detract from any appeal the GSI might have, especially for regional countries having territorial disputes with China.

Third, with the growing rivalry between the two major powers — China and the United States — it is expected that international development cooperation will witness more ideational, narrative, and material competition. Washington already projects Beijing as a challenge, for instance, by describing China in terms of being “repressive”, “aggressive”, and the “most serious long-term challenge to the international order”, with Chinese offers of aid cast as constituting a debt trap.

As a response to China’s BRI and to counter China’s economic clout, in June last year, the Biden administration started infrastructure-building schemes such as the Build Back Better World initiative, announced with like-minded countries from the Group of Seven (G7). To further compete against the BRI, the G7 consolidated their global infrastructure-building plans by launching the Partnership for Global Infrastructure and Investment in June this year.

Whither BRI?

In light of the other initiatives, where is the BRI headed? Given the severe health crisis at home and disruptions of normal economic activity, China has to strike a careful balance between domestic economic recovery and overseas commitments. As the 2021 white paper indicates, China will not do things beyond its stage of development and will only meet international obligations in line with national capacity.

But, the BRI will not be abandoned. For one thing, the pursuit of the BRI has already been written into China’s constitution in 2017. Notwithstanding any problems which it has faced, the BRI has still proved popular among developing countries in the past decade, with close to 150 countries having signed up to the initiative. This essentially means that China’s grand ambition of pushing for the BRI will not be dampened, particularly when a post-pandemic world may need more infrastructure financing to promote economic growth. To keep alive the BRI — an important component of China’s economic statecraft for sustaining its global influence — Beijing will continue to provide the “China Solution”, albeit under initiatives ancillary to the BRI which bear different names.

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