What does the Future Hold for China’s Belt and Road Initiative?

The world has become all jumbled under the eruption of the coronavirus pandemic. Borders are being closed. National currencies are crashing. Airline flights are being cancelled between countries and regions, as well as domestic auto and rail connections. By and large, people have “fled” to quarantine and self-isolation. It’s too early to speak about positive results of many of these (at times) harsh measures (besides for China, which demonstrated to the world community an example of discipline and selflessness).

Unquestionably, the world will be different after overcoming COVID-19, something never before seen in human history. There will be clear differences in the principles and character of international relations, the workings of the world’s economy, traditional bonds of multinational cooperation, interrelationships (“people-to-people”), and universal human values. But looking at the big picture, can we speak at all now about globalization and the current world order, when governments, and people, in essence, have walled themselves off from each other, and hidden behind the doors of their “quarters” to survive this economic and geopolitical shock, and many of the severest types of consequences of the coming years?

But it is worthwhile and necessary, nevertheless, to contemplate the future, the fate of the largest projects, for example, China’s Belt and Road Initiative (BRI), which is founded on elements that are absolutely at odds with the pandemic – the widest integration and cooperation over a vast expanse of land and sea in various directions. At the same time, while the pandemic has exposed all the risks and weaknesses of global interdependence, we cannot discount that it will affect China’s initiative. Due to the tense situation, questions justifiably arise: is there a scenario for development of the BRI project in upcoming months, or on the horizon? What are the most difficult problems Beijing faces?

As a reminder: First: BRI is the favorite child of Xi Jinping, who announced his plans for implementation in September 2013, a time noted for an annual GDP growth rate of nearly 8%, and China’s “stash” of about 4 trillion dollars. Expert opinion in Beijing formed around the view that both the overland project and Sea silk road were for the Chairman of the PRC priorities No. 9 and 10 out of a list of 10, with No. 1 being maintaining the CPC’s power, and No. 2 the strengthening of national unity. Finally, No. 3 was continuous economic advancement.

Second: According to March 2018 figures from the banking conglomerate, Morgan Stanley, by 2027 expenditures on the project may reach between 1.2 and 1.3 trillion dollars. And how might these figures appear now, and also in succeeding months, during a time of international, business, and social disunity? Forecasts are a tricky matter, and it’s too early to make them, but at the same time there are possible scenarios for today that will depend foremost on external factors – the world’s situation, the magnitude of economic collapse, the instability of global institutions’ structures, the main social and political consequences, both overall, as well as for individual countries. Under these conditions, Beijing’s leadership is faced with overcoming a tortuous journey on thin ice between Scylla and Charybdis, during which, on one side it must lick the wounds and hurt of “Wuhan”, giving top priority first to internal problems (and there are many!), and on the other, try not to squander the accumulated dividends from being a great power beyond its own borders, the activity and even aggressiveness of its foreign policy, and large works in progress from its initiatives, particularly BRI.

The internal problems now include the drop in GDP (it was already observed shortly before the coronavirus), limited opportunities to stimulate the economy, the overheating of China’s exports, a decrease in internal demand from chaos due to COVID-19, upcoming huge financial expenditures to restore shut down productive capacities and social
During the pandemic, China was subjected to severe criticism, supposedly, for the escape of the virus from a laboratory in Wuhan, and for weak development of the “Health Silk Road” idea. China’s BRI project was undeservedly bad mouthed as a wide avenue for distributing infection. Beijing was even accused of “mask diplomacy.” The mainstream media actively manipulated the theme of the “victory” of the Chinese model for fighting the coronavirus over the American one, in order to once more drive a wedge into their difficult relations and the “trade war.” This is all far from fair, at the least because, after overcoming huge, irrecoverable human and economic losses, China (it must be given credit!) actively extended wide, uncompensated, foreign aid, first of all to Italy in its most tragic days. “By April 10 of this year, China dispatched 12 groups of medical experts to Serbia, Cambodia, Pakistan, Iran, Iraq, Laos, Venezuela, Myanmar, and others, in order to assist them in the battle with COVID-19,” noted Zhao Lijian, an official representative of China’s MFA at a briefing for journalists at the beginning of April 2020. In total, government and private firms delivered more than 1.8 million masks, 210 thousand test systems, 36 thousand special gowns, and several thousand artificial respiration ventilators. Likely, that is not the end of China’s assistance. Actions speak louder than words.

And maybe, this endeavor of China to assist other governments to overcome COVID-19 will, step by step, impart dynamism to the Belt and Road Initiative to compensate for what was not achieved previously by its “Health Silk Road.”

Therefore, China will be forced to:

- reassess its strategy, infected in essence with a different virus (well before the pandemic) of unprofessional calculations of projects, poor quality of execution along the lines of “whatever, however”, etc.;

- make adjustments to the previous strategy of creating a global network and construction of any projects abroad aligned with the BRI under the mentality of quick design and build – economic corridors, logistics zones, financial and tourist centers, with an emphasis on seaports all over the world, and development of neighboring areas, for example, around Egypt’s Suez Canal or Sri Lanka’s grandiose port of Colombo.

- more carefully evaluate risks and expenses for this or that project, considering that, after “Wuhan,” China will not be able to receive back quickly in a huge, lump sum the anticipated payoffs from them. In the upcoming months, evidently, i.e. the summer of 2020, according to a different scenario, several specific infrastructure BRI projects in Sri Lanka, Bangladesh, Indonesia, Nepal, Myanmar, and Malaysia will “crawl to a snail’s pace” due to a shortage of Chinese equipment and manpower, which these countries will try to do without by all means possible over fears of the threat of coronavirus infection. According to data from the “Economic Times,” over 130 countries have closed their borders to Chinese workers, engineers, and managers. Quite a number of countries will evaluate under new light the pros and cons of a new BRI, its extreme Sinocentrism, and excessive dependence on Chinese companies and loans from Chinese banks.

At the same time, only a few know that, some time ago, one of the intents that was envisaged for the Belt and Road Initiative was as a large framework for the prevention and control of infectious diseases, creation of centers of quality medical services and healthcare, medical training and research, and finally, development of international assistance in this range of areas. This idea of “cooperation in the field of healthcare within BRI” first appeared in 2015 as part of a three-year plan for 2015 – 2017 to accomplish these goals. After some time Xi Jinping, in a discussion with Italy’s Prime Minister, Giuseppe Conte, emphasized the necessity of creating a “Health Silk Road.”

Unfortunately, this “medical part” remained largely on paper. Over the past years, little was done to distribute information, technology, and to finance training of experts and medical personnel under BRI, but achievements of traditional Chinese medicine were widely promoted. However, for example, Huawei and ZTE, the largest corporation that produces telecommunications equipment and mobile phones, invested in healthcare technology in a number of African countries. China became a partner with the Africa Center for Disease Control (Africa CDC). But this was done outside the boundaries of the Belt and Road Initiative, without a separate structure being created, as the corporation operated within this field at a bilateral level with individual partners.

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