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## Belt and Road Initiative: A Potential Threat to the Region and Eurasia



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### Abstract

Xi Jinping has elevated the 'Belt and Road Initiative' (BRI) as the flagship project and included it in the party Constitution. In other words, BRI is an endeavour by Xi Jinping to create a new world order with Chinese characteristics. However, this mega plan to link more than 65 nations across three continents has pitfalls due to over connectivity and financial overdependence on China. Economically fragile nations are vulnerable to debt trap and nations may lose economic and strategic autonomy. The securitisation of BRI projects by People's Liberation Army (PLA) could lead to militarisation of the region and that may trigger a conflict between state and non-state actors. BRI is not purely an economic activity but a strategy about how China wishes to pursue its foreign policy and secure its economic and strategic interests. In the long term, it has a huge diplomatic impact since the member states are unlikely to oppose China in any international forum. It is a passive aggression and control of region through connectivity and economic dependence on China. Thus, it could be rightly identified as a non-traditional threat that can

### *Key Points*

1. The Belt and Road Initiative (BRI) is bilateral in its design and implementation with China as the unquestionable leader and main beneficiary.
2. The BRI is a major economic and geostrategic initiative with the purpose of dual-use development model (economic and military).
3. Economically fragile nations could face a debt trap that could raise issues of sovereignty relating to projects executed under BRI.
4. The BRI has the potential to usher in an era of insecurity and instability in the region leading to a social confrontation between locals and Chinese companies.
5. The focus of China will be on the development abroad and economic stabilisation at home.

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## Belt and Road Initiative ...

push the region into instability. India is not the member of BRI because it violates the sovereignty of illegally occupied territory of India by Pakistan and it does not give any added advantage of connectivity to India with neighbouring countries unless China is ready to give access to India of Central Asian Republics.

### Introduction

Shivshankar Menon, former foreign secretary, in an article written for the *Wire*, said that the Belt and Road Initiative (BRI) will directly involve 65 countries, 4.4 billion people and 29 percent of global gross domestic product (\$2.1 trillion).<sup>1</sup> It is unprecedented in its magnitude and its promise of collective growth. Never before in history has any nation put so much at stake, including financial support. It has endeavoured to build economic bridges across a fractured geography and demography that has remained unstable and volatile since long. There is scepticism but the hope of ushering in an era of economic growth as well. But, is it really all about collective growth or is it a strategy to build unbreakable and irreversible strategic and economic partnerships? The way it is unfolding, it suggests, that China will be the unquestionable leader of this initiative and will control the policies, economic benefits and will attempt to eliminate global competition in the region.

The unique feature of BRI is that it is bilateral in its design and implementation.<sup>2</sup> Structurally, it may be connecting more than 65 nations from Asia to Europe, but the only common link is China, as all the other countries are not in any multilateral alliance with each other. What China has ensured is that each nation remains an individual entity and not a group of nations that are bound together. There is no homogeneity in the bilateral agreements and even the economic benefits to be shared and terms and conditions are different for each nation. As a result, each country will have an independent engagement with China. There is no clarity as to how the excess capacity created by the BRI will be utilised? Will it be utilised by other member states or will it be dependent on the discretion of China, since the bulk of the funding

will come from China. Can the BRI member nations outsource the capacities or infrastructure to repay the heavy debt, or would they need China's approval to do so? If they fail to exercise control over their own projects, the entire exercise itself could be rendered questionable, and member states could be forced to forego their sovereignty and control over such assets. There are six different focus areas through which China is planning to integrate more than 65 nations and counting, Maritime Silk Route, connectivity to South East Asia, South Asia including China Pakistan Economic Corridor (CPEC), Afghanistan and Iran, through Central Asian Republics (CAR) to Turkey and Europe and through CAR to Russia and Europe. But the success of this initiative will hinge on China's ability to gain space and deny space to the United States and North Atlantic Treaty Organization (NATO) to expand eastwards and as a consequence CAR becomes even more vital for China.

### BRI: A China Dream

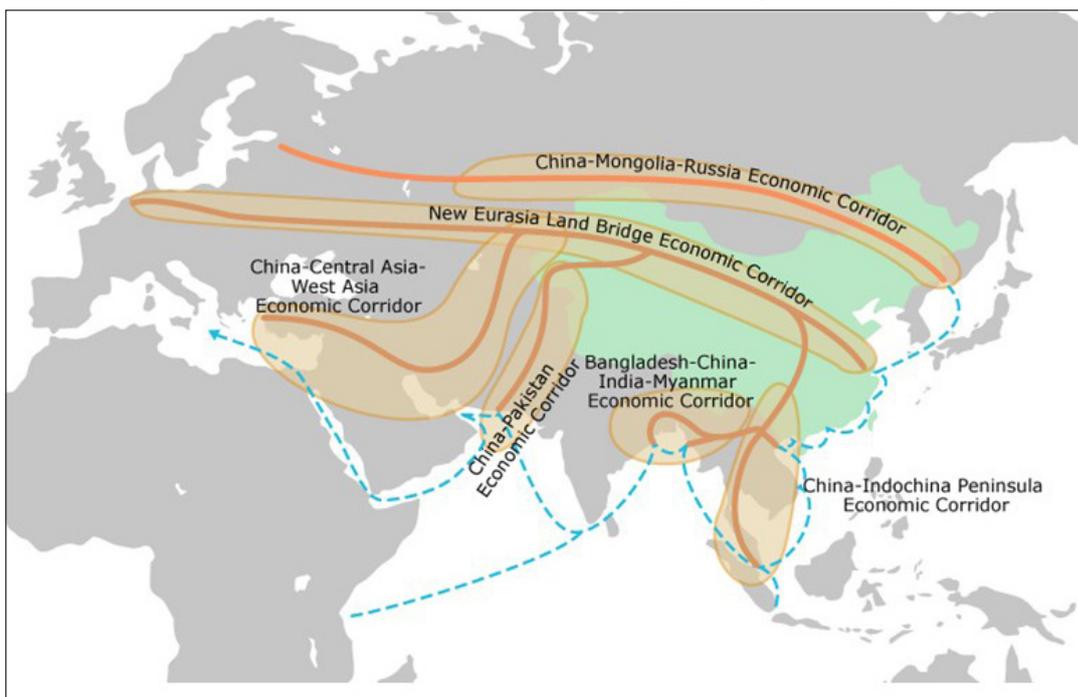
Chinese President Xi Jinping, in September 2013, announced at Nazarbayev University, a project that was called Silk Road Economic Belt and a 21st Century Maritime Silk Road. It was named as 'One Belt One Road' and later it was renamed as BRI. The project was conceived after detailed analysis and studies carried out by Chinese scholars, economists and policymakers to connect and involve more than 65 countries. The BRI aims to connect Asia, Europe and Africa along five routes. The Silk Road Economic Belt focuses on linking China to Europe through Central Asia and Russia; connecting China with the Middle East through Central Asia; bringing together China and Southeast Asia, South Asia and the Indian Ocean. The Maritime Silk Road, meanwhile, focuses on using Chinese coastal ports to link China with Europe through the South China Sea and the Indian Ocean, and connect China with the South Pacific Ocean through the South China Sea.<sup>3</sup> China has given out five major goals of the BRI, policy co-ordination, connectivity, unimpeded trade, financial integration, and people-to-people connect. However, the strategic objective that China desires to achieve through BRI

is two-fold, first is the development of soft power for China's 'peaceful' and 'multilateral' rise. Second, BRI includes a vital security dimension, namely China's gradual 'securitisation' of the continent in response to the United States' renewed focus on the Asia Pacific region and the revival of tensions in the South China Sea.<sup>4</sup> The Chinese leadership through BRI desires to achieve continuous economic development of China by connectivity with the underdeveloped nations of Eurasia, Asia and Africa. BRI does not consist of all new projects but it entails repackaging of all ongoing projects or contracts signed by China with Eurasian and other Asian countries. Economic sustainability of the BRI is also suspected since Chinese banks may not be able to outperform the global financial institutions. In the ultimate analysis for the BRI to be successful in the way China suggests, it must stimulate the industry that channels more trade to China and allows for the diversification of trade away from China.<sup>5</sup> The vulnerability for the participant nations is that overreliance on China for development and trade could lead to economic, security and cultural colonisation of these economically fragile nations. The map of BRI as envisioned by China is given below:

### Is it a Purely Economic Activity or a Geostrategic Initiative?

The United States and Western Europe had built an alliance against Warsaw Pact countries based on the perceived threat to democracy from communism. There are still 29 countries that are part of this grand alliance, known as the NATO. During the Cold War, the Soviet Union crafted the Warsaw Pact, consisting of countries united by communism. The alliances based on threat perceptions can weaken with a rise in economic interdependence and shared interests, as well as bilateral engagements between opposing states. The Warsaw Pact is dead and buried and the NATO is also cracking because Europe no longer considers Russia to be a major military threat at a time of rising economic interdependence. There are no permanent adversaries in international relations, but permanent national interests. Under the changed economic and security environment, if national interests do not clash with the old adversaries then the scope of conflict automatically reduces. In spite of the fact that Western Europe continues to view Russia as a potent non-traditional threat, but the increasing bilateral engagement of European nations with Russia

#### The Belt and Road Initiative: Six Economic Corridors Spanning Asia, Europe and Africa



Source: HKTDC, the Belt and Road Initiative.<sup>6</sup>

may change this perception because Western Europe today realises that it needs Russia as much as Russia needs Europe. Thus, one can say that an alliance that is based on military threat and ideology has a limited shelf life and will ultimately lose its relevance.

China has very carefully studied the two previous grand alliances that were formed to deal with ideological and military threats. The difference between the previous grand alliances and the BRI is that the former were the result of threats and war hysteria, while the BRI is based on connectivity and collective economic growth. The BRI can in no way be compared to NATO/Warsaw pact because alliances that are built on threats and security dilemma have a shelf life and can change with the change in national interests. BRI cannot be compared either with the Marshall Plan for the economic recovery of Europe, in which the European nations received nearly \$13 billion in aid from the United States after World War II.<sup>7</sup> It was a plan that was to be executed in about four years with no liability to repay at exorbitant interest rates. It was an aid given to the allies. An alliance built on connectivity, the ideology of collective growth and economic wellbeing, is likely to be far more resilient with a longer shelf life. Thus, the BRI endeavours to integrate the heartland as described by Mackinder, through connectivity in order to unlock the economic potential of these nations for collective growth. Whether this project is economically viable or not is a different issue, but it is more important to decode whether the BRI is purely economic in nature or will the world witness another 'Long March' by China right up to the Eastern boundaries of the NATO? The magnitude of the BRI is suggestive of the fact that China will endeavour to prevent expansion of NATO eastward at some point in time when securitisation of BRI under PLA takes place. The BRI is also likely to be long-term leverage even against Russia through the economic pull of the region by China, which still exercises control and influence over the CAR and the South Caucasus region. Considering the scope and scale of the BRI, it is certainly not purely an economic activity for giving a fillip to globalisation, but an

ideological and geostrategic initiative that will alter the balance of power. The other objective of incorporating 65 countries with BRI may also be a step to create alternative institutions of global governance with the Chinese characters.

China is also eyeing the exploitation of land-locked natural resources in the CAR. Kazakhstan alone has roughly three percent of the world's oil, four percent of the world's coal and 15 percent of the uranium. Kazakhstan also has the world's largest reserves of zinc, lead and chromite, and is among the top 10 countries supplying copper, iron ore, gold and manganese.<sup>8</sup> Uzbekistan has approximately 0.8 percent of the world's total gas and sizeable gold, copper, lead and uranium reserves.<sup>9</sup> China is trying to make inroads into all Central Asia Republics, however, involvement with all states is not of the same degree as it is with Kazakhstan. At the moment, investment with Tajikistan, Kyrgyzstan and Uzbekistan is somewhat on the side-lines, although things could change in favour of the Chinese investment. Turkmenistan's gas trade is already dominated by China, but this is a specific sector that has few ties with BRI infrastructure programs.<sup>10</sup> There are unexplored natural resources locked in this region and in Afghanistan that will require a huge investment in infrastructure and connectivity to make the projects commercially viable. China has taken the initiative ahead of Russia and the United States to unlock and exploit the natural resources. If the BRI manages to rope in the CAR without going through the Central Asian Economic Forum, then one can deem China to have overtaken Russia in forging a partnership with CAR.

Considering the above, one could sum up that the BRI is a geostrategic initiative that has political, economic, cultural and military implications. Another aspect of the BRI is that China can maintain sustainable economic growth only by means of resource control and resource acquisition. China needs energy security and the continuous flow of natural resources to fuel its industrial growth. The nations that are expected to be part of BRI are also potential markets for Chinese

goods. Thus, the BRI is a major initiative to connect and exploit the natural resources and markets of these land-locked nations. Considering the overall benefits, China is prepared to take the risk of building economic bridges in the turbulent CAR and West Asia. By application of economic pull, China also wants to create space among the traditional allies of the United States in the Asia Pacific and thus, China-Indochina Corridor for International Economic Cooperation assumes importance. Even the Association of Southeast Asian Nations (ASEAN's) enthusiasm for the 'BRI' may not be as strong as that of CAR. However, overall, ASEAN remains an important dimension for China's neighbourhood diplomacy.<sup>11</sup>

According to a report prepared by the Centre for Advanced Defence Studies, Washington D.C, "Investments may not be principally driven by the concept of win-win development. Maritime infrastructure investment is inherently dual-use and is capable of furthering both legitimate business activities and military operations."<sup>12</sup> It is emerging that the main focus of the BRI is to gain strategic space through strategic communication and economic integration from the Far East to Far West. Erosion of space of regional and global superpowers will be a natural fallout of this initiative that has now become a core issue of China. It is evident that the BRI is characterised by investments at strategic locations, a dual-use development model, notable Communist Party presence, significant financial control, limited transparency and unequal benefits.<sup>13</sup>

BRI is also seen as a strategy to eliminate the threat from 'East Turkestan Islamic Movement (ETIM)'. Xinjiang province, where the group is based, is a vast, sparsely populated area that shares borders with eight countries, including Afghanistan and Pakistan.<sup>14</sup> Some experts feel it is an umbrella organisation that has linkages with many small groups operating in CAR including Turkestan Islamic Party, Islamic Party of Turkestan and Islamic Movement of Uzbekistan.<sup>15</sup> Along with economic development and connectivity, China wants to retain some control over the areas

where ETIM has possible bases so that the threat is kept away from the Chinese territory as far as possible and not allowed to penetrate in Xinjiang region. Similarly, China also does not want linkages between Islamic State of Iraq and Syria (ISIS) and ETIM along with its affiliates to make an inroad in Xinjiang because that has the potential to trigger a problem not only in Western China but even in mainland China. ETIM had taken credit for a series of attacks in several Chinese cities in 2008, including deadly bus explosions in Shanghai and Kunming.<sup>16</sup> Thus, BRI is also an expansion of the Great Wall of China outward to insulate the territorial boundaries from the non-traditional threats that may manifest from the Islamic terror groups.

### **Is BRI a Potential Non-traditional Security Threat to the Region and the Eurasian Heartland?**

Unlike the preceding centuries in which the gravest security threats that a nation-state faced were invariably the armies of other states, in the 21st century, this is no longer the case.<sup>17</sup> Caballero-Anthony stated that non-traditional security threats may be defined as "challenges to the survival and well-being of peoples and states that arise primarily out of non-military sources."<sup>18</sup> Non-traditional security threats could be climate change, cross-border environmental degradation, resource depletion, infectious diseases, natural disasters, irregular migration, food shortages, people smuggling, drug trafficking, economic coercion and other forms of transnational crime.<sup>19</sup> The BRI is likely to pose non-traditional security threats to the region and also to the Chinese assets because of the fractured polity and ethno-social conflicts that may get triggered along the flight path of the BRI. Crises could arise in a number of countries where China and the local governments have made substantial investments. These could arise from social confrontations between locals and Chinese workers, environmental degradation and a lack of corporate responsibility on the part of Chinese companies.<sup>20</sup> The biggest challenge for China in making this project happen is finding a way to establish a Eurasian Land Bridge, especially through unstable Tajikistan, Kyrgyzstan, Afghanistan, Pakistan and the Uyghurs

region, where there is a significant influence of the ETIM. In addition, the Western military presence in Afghanistan (Afghanistan is a geostrategic extension of Eurasian heartland), has fundamentally altered the geopolitical map of the Central Asian Region.<sup>21</sup> NATO's expansion towards the east and China's economic diplomacy and strategic move to 'Go West' will ultimately encroach upon Russian strategic space. The traction of the economic diplomacy of China and the perceived economic dividends of the BRI will push the Eurasian heartland closer to China than to Russia and the United States. The paradox is that Russia itself is creating a space for itself to become a major 'pole' or a centre in a multipolar world, and is determined to regain its lost influence in Central Asia. President Putin's policy is driven by one single comprehensible goal – to rebuild 'Greater Russia' by other than violent means, and re-establish Russian control over Central Asia and the Tsarist Empire.<sup>22</sup> If the local population is not likely to be benefited with jobs and business, the probability is that BRI may pull the entire expanse of Central Asia and Southern Caucasus into instability. Agitation against the Chinese colonisation will also be a serious issue for the local governments and Chinese authorities to deal with. Islamic terrorists may also play a role to trigger instability.

### Shared Sovereignty over BRI

China has just been given a 99-year lease on the Hambantota port by Sri Lanka, which sparked protests by political opponents, over what they deem as being an erosion of sovereignty.<sup>23</sup> Pakistan's minister for ports and shipping, Mir Hasil Khan Bizenjo, confirmed that Pakistan has handed over operations of its Gwadar port, to a Chinese company for a period of 40 years.<sup>24</sup> China has earmarked about \$900 billion for BRI projects in 60 countries.<sup>25</sup> With such huge investment, China would certainly seek guarantees and shared control over projects so that partners do not rig the agreements or the laid down conditions. Having risked such huge amounts, China would not like any disruption in communication or projects and thus would hard sell their loan conditions to ultimately demand 'China's right-of-way'.<sup>26</sup> It is a

foregone conclusion that China would demand shared sovereignty over the projects and railroad networks. The BRI will gradually facilitate the mushrooming of Chinese colonies and semi-autonomous regions, within the host nations. Each of these semi-sovereign lily pads of China will be linked by rail-road connectivity enabling uninterrupted access. Any attempt to disrupt and target the Chinese state-owned companies or workforce by non-state actors or local population would be met with resistance and may pave the way for deployment of Chinese private security companies. If the threat levels increase and weak states are unable to protect the Chinese workforce and projects, it may pave the way for deployment of the Chinese military, sooner rather than later. Will the world standby and witness the altering of the territorial boundaries of weak and fragile states, without application of military power? There are no answers to this question at the moment, however, time will decode how the turn of events will take place.

### Debt Trap Diplomacy<sup>27</sup>

Most of the nations who form part of the BRI project will be piling up unsustainable debts. In the backdrop of the above, Chinese infrastructure loans have come to represent a brand new form of neo-colonialism.<sup>28</sup> It is colonisation with a Chinese character and can be categorised as a classic non-traditional threat to the economic sovereignty of these fragile and weak states. Two cases in point are Sri Lanka and Pakistan – both of whom are not in a position to repay the infrastructure loans extended by China as part of BRI and as a result, these nations are now entangled in debt trap diplomacy. As per the former Sri Lankan Finance Minister, Ravi Karunanayake, Sri Lanka owes China \$8 billion.<sup>29</sup> The financial condition of Pakistan is very fragile and it will be further under debt to the tune of an additional \$71 billion after completion of the CPEC. The World Bank has already said Pakistan may soon be ineligible for World Bank loans<sup>30</sup> since it has failed to repay the outstanding loans. It seems very likely that Pakistan will plunge into a debt trap. The debt trap will ultimately lead to the creation of autonomous Chinese colonies across the entire length and breadth

of the BRI. A debt trap is a non-traditional security threat that may be irreversible. These nations may lose economic sovereign rights over the projects because of their inability to repay the outstanding loans.

### **Overdependence on China for Trade : A Risk**

Overdependence on China as a buyer of commodities is a particular risk. Turkmenistan is currently feeling the pressure: China has been the sole foreign importer of Turkmen gas since Russia halted gas imports from Turkmenistan in 2016.<sup>31</sup> Over-connectivity and channelling exports of natural resources under the bilateral agreement would mean that a state will lose right or competitive bidding of resources if China is not paying them at the prevailing international rates. The host nation could be held captive and China may start manipulating the trade price of fuel, gas and natural resources. One can say that the BRI will be one-way traffic and is likely to shut the door for host nations to exercise economic sovereignty over their natural wealth to a great extent. It is not yet clear whether host nations can use connectivity for export of the raw material, oil and gas to other nations once such projects are part of BRI connectivity? It is an issue that these land-locked nations will have to deliberate and bargain with the Chinese authority before jumping into the bilateral agreement under BRI. There are large numbers of issues in the supply chain and utilization of surplus capacity. Whether China would allow these nations to utilize surplus capacity created under BRI to export it to other countries or will China lay restriction and control resources if debt repayment becomes a problem for the host nations is still unclear. It is likely that the economic and strategic autonomy of the host nations may get compromised.

### **BRI will Usher in an Era of Insecurity and Instability**

There is a strong likelihood of several security crises emerging in a number of countries. These could include a social confrontation between the indigenous people and Chinese workers.<sup>32</sup> The confrontation could also grow into insurgency and terrorism if not addressed in time. The confrontation could take place due to degradation of natural environment, employment of Chinese workforce and ignoring the local labour,

benefits from natural resources and lack of corporate responsibility on the part of Chinese and government agencies. These areas would also attract non-state actors and transnational criminal gangs. Moreover, it will not be easy for China and the local governments to protect the 12,000-km-long rail, road and pipeline network 24x7. Threats to Chinese assets and workers will increase as the exploitation of natural resources gain momentum. The threat profile could range from acts of terror, kidnapping, ransom, looting of trains/vehicles carrying goods and mushrooming of warlords. In addition, the BRI could exacerbate the resource crunch in countries such as Kazakhstan, Turkmenistan and Afghanistan, because the BRI trade corridor could render them more resource dependent and stunt their non-resource-based sectors.<sup>33</sup> Instead of rushing into the projects across entire Central Asia and the Caucasus, China and host countries would undertake a risk assessment, failing which, Chinese investments could meet a similar fate, as was witnessed in Libya and South Sudan. The bigger danger is that these fragile nations that are comparatively peaceful could be pushed into instability by state-sponsored non-state actors through hybrid and irregular war. These will not only target Chinese investment but would also become a breeding ground for jihadis to target and fight for the control over natural resources. The BRI region faces many security challenges stemming from civil unrest, as well as the rise of extremism. The rise of ISIS, lone wolf attacks and terror financing means it will be just as necessary to maintain a great wall of security to protect the BRI region.<sup>34</sup> Who will provide that great wall? There is a strong possibility that the PLA will get deployed along the BRI corridors to protect the Chinese diaspora and critical infrastructure.

### **Who will carry out Arbitration of the Disputes?**

Investing in emerging markets along the BRI implies risks, some of which could prove fatal for the investment. These include political instability, lack of security due to sectarian violence (Shia-Sunni), ethnic tensions, the proliferation of small arms, poor governance, lack of infrastructure, the absence of a fair and impartial legal system, the absence of a corporate

governance system, and local prejudices that can give rise to a climate of hostility.<sup>35</sup> Disputes thus would be unavoidable. The issue is who will settle disputes that are likely to arise after BRI is made operational? Will the court that China is proposing to be set up in Beijing have jurisdiction over the sovereign laws of various countries? Will it function in accordance with the International Court of Justice (ICJ) and World Trade Organization (WTO) rule-based global institutions of governance to resolve interstate conflicts? The other option is the Hong Kong International Arbitration Centre (HKIAC) for BRI-related arbitrations. The HKIAC is ranked fourth in the world and is supposed to have multi-lingual expertise. It is also learnt that China's Supreme Court also supports the HKIAC as the International Dispute Resolution Centre. The question that is raised, relates to the neutrality and jurisdiction of the designated court to dispense judgment on cases related to BRI. Another issue is whether China is seeking to bypass the ICJ and WTO dispute resolution mechanism and create its own institutions for dispute resolution. Will the parties to the conflict agree to the court established by China or would they demand that there should be equal representation of member states in such a body?

### **Who Will Guarantee Smooth Passage of Trade, Transit and Tariff**

Though the responsibility for the smooth flow of trade and transit may be of the host nation, it is likely to be impacted since trade through land routes will need transit rights for commodity exchange in the BRI region and beyond.<sup>36</sup> But what if there are disputes among the neighbours over trade, transit and tariff because the BRI is bilateral and not multilateral. In the light of such disputes, would these nations prefer to go to the BRI-nominated court in China or Hong Kong or would they fall back on Eurasian Economic Union for dispute resolution? It is still unclear as to who will make up for the loss resulted due to the disruption of trade, transit and tariff and who will decide the quantum of penalty? Can a nation payout and walk out of the BRI midway, if the regime feels it is unfavourable to the nation's polity, economy and geostrategy?

### **Strategic Implications of BRI to India**

The economic traction created by the BRI would certainly erode India's sphere of influence within the region, as well as in the extended neighbourhood. With the help of BRI, China wants to increase their strategic influence in South Asia and the Indian Ocean region (IOR). China's new assertiveness towards South Asia and the IOR is a manifestation of asymmetric military and economic capabilities between China and India.<sup>37</sup> Nepal, Bangladesh, Myanmar, Pakistan and Afghanistan have already been connected, either by the 'Maritime Silk Route' or through the BRI. The big danger is that if economically fragile countries are caught in a 'debt trap' it will be difficult for these countries to resist Chinese pressure and retain their strategic autonomy. Debt trap could also enable China to gain access to establish military bases across the IOR, the Eurasian heartland and the Af-Pak region. *Xinhua*, the Chinese state-run news agency, said, "India should shed its 'strategic anxiety' over the China-Pakistan Economic Corridor and join the Belt and Road Initiative to become a cooperative partner and not a rival".<sup>38</sup> In addition to the ambitious BRI Project, one must not forget the leverage China has in international institutions ranging from the United Nations Security Council to the Nuclear Suppliers' Group that has at times proved to be an obstacle to Indian foreign policy ambitions. India would see more coercive military and diplomatic encirclement by China if India does build leverages in near future.

BRI will certainly have security and important economic implications for India. China is notorious to push in disguise PLA as part of technical or nontechnical manpower working on CPEC and land connectivity in Nepal. With China gaining access to the Arabian Sea through CPEC, Pakistan will be saddled with unsustainable loan amounting to \$57 billion and considering the economic conditions of Pakistan, it is in no position to repay such a huge loan. As a consequence, Pakistan may not be in a position to prevent Pakistan-occupied Kashmir becoming a de facto colony of China. This has a direct impact on India's security. Gilgit-Baltistan is the point

from which China can penetrate deeper into Indian Territory<sup>39</sup> and it gives China reasons to interfere in Kashmir through its proxy (Pakistan). Moreover, CPEC violates sovereignty issues of India. The other issue is how does India get benefited by BRI? India is already connected to Nepal, Bangladesh, Bhutan, Pakistan and Myanmar. It is better placed to connect through the sea with the IOR Rim nations than China. Thus, for India, it is a road to Quo Vadis (A road to unknown destination) unless China gives connectivity to India through Tibetan Autonomous Region (TAR) and Xinjiang for Central Asia. China may not give access to India to Central Asia knowing India's historic cultural linkages with Sufi Islam and cultural ties. India is also connected from Kashmir to Kashgar culturally and China is sensitive to allow such linkages again. In the name of maritime Silk Route, China has pursued a port strategy in IOR by signing projects to develop 18 ports and these ports certainly have more than economic significance.

Rajesh Rajgopalan states that India has six potential strategic options against assertive China: staying unaligned, hedging, building indigenous military power, forming regional partnerships, aligning with China, or aligning with the United States.<sup>40</sup> Staying unaligned and aligning with China may not be an ideal option, thus the other four could be pursued. India must push Security and Growth for All in the Region, Project Mausam expanding from East Africa, the Arabian Peninsula, the Indian subcontinent and Sri Lanka to the Southeast Asian archipelago<sup>41</sup> and the Sagarmala project as a viable alternative to BRI. According to Ambassador Kantha, it is one way of countering the BRI. The Sagarmala project is a strategic investment initiative of India that envisages setting up of over six mega ports, modernisation of several dozen more ports, and development of coastal economic zones, among others.<sup>42</sup> The key to success lies in the implementation of these projects in a time-bound manner. 'Debt Trap' has exposed the real danger from China to weak and economically fragile nations, thus India, Japan and the United States should uncover the real intent of Xi Jinping behind BRI. There is a limited

window of opportunity for India and it has four types of tools at its disposal: military power, potential partnerships with other countries, multilateral diplomacy, and international economic integration.<sup>43</sup>

### Conclusion

Marlene Laruelle (Director, GW's Central Asia Programme, Washington, D.C.) writes in the introduction to the book *China's Belt and Road Initiative and its Impact in Central Asia* that: BRI is not simply the sum of individual projects centred around the idea of connecting China to the rest of the world via new continental and maritime infrastructure. Rather, it is a meta-discourse on the Silk Road and a new manifestation of China's soft power.<sup>44</sup> In the same book, Sarah Lain (Royal United Services Institute, London) writes that 'connectivity' is the buzzword for the BRI. But there are also risks attached to over-connectivity with China.<sup>45</sup> Instability and prosperity travel, both inward and outward.

China's motivation for increasing connectivity is not only development abroad but also economic stabilisation at home. The BRI uses China's capital reserves to invest overseas and stimulate foreign demand for Chinese goods and services, in part to offset the slump in demand at home.<sup>46</sup> Notwithstanding the above, these ambitious plans have pitfalls for regional and extra-regional powers, because they will alter the political, diplomatic, economic and military equation in the region, and beyond. The other question that arises relates to whether these nations are prepared to cede their sovereignty over parts of their territory. Some aspects of the project may prove irreversible and may lead to an erosion of the global institutions of governance, which may not be a good idea. However, the ruthless Chinese business model could destroy small economies and the domestic industries of the economically fragile countries, thus plunging many third-world countries into disorder. Such a scenario has the potential to trigger major social confrontations and global disorder. Implementation of BRI is questionable because Chinese Banks do not have the capabilities to support such a huge project on its own. Thus, the

danger is that it may run out of finances at some point in time. Debt Trap is a potential threat to small member nations and they will have to carefully decide the future course of actions so that they can avoid being trapped. Sovereignty is not only territorial but economic and strategic as well. Some countries such as Pakistan, Maldives, Myanmar, Bangladesh and Sri

Lanka may find it difficult to maintain sovereignty in the real sense. BRI does not lead to anywhere as far as India is concerned. It is already connected and the only region where it is not connected is CAR and that China may not allow India to gain access to this strategically important region. Therefore, for India, it will be a road to nowhere.

### Notes

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