China’s Belt and Road Initiative: Geopolitical Strategy or Debt Trap?

By David Dodwell

The BRI is here to stay, and it can provide substantial economic stimulus to long-neglected regions. But more attention should have been paid to learning from the experience of global development banks on the challenges of organizing infrastructure projects in developing economies.

By Joshua Eisenman

The developing world now plays a central and growing role in Beijing’s more proactive foreign policy. How far its current strategy translates into global influence will depend largely on whether its ‘win-win’ engagement lives up to its billing.
BRI in Context: China’s Geostategic Conception of the Developing World

By Joshua Eisenman

NOT SINCE THE MAO ERA has the developing world played a larger role in China’s geostrategy. Over the last decade, China’s leaders have come to believe they can reshape the world to conform with their interests. China is employing economic tools such as policy lending and “memorandum-of-understanding diplomacy” to achieve political ends, and stepping up party-to-party outreach and educational activities to deepen relations, improve the image of the country and its political system, and enhance policy co-ordination.

China’s foreign-policy practice differentiates the relative status of bilateral relationships based on the characteristics of partner states — specifically, major powers, states on China’s periphery, developing countries and, since the 18th Party Congress in 2012, multilateral international forums. The boundaries between these categories are often ambiguous, and many states traverse two or more of them.

Major powers are large, economically developed states, including the United States, Japan, Russia, Germany, the United Kingdom or the European Union as a whole. Peripheral states include both developing states and major powers. While there is no definitive list of major developing states, they appear to include a handful of large, rapidly developing and politically influential states such as the developing members of the G-20 — Argentina, Brazil, Mexico, South Africa, India, Indonesia, Saudi Arabia, Turkey, Iran and Thailand.

Part of the developing world falls within China’s “periphery,” which constitutes a strategically important geographic belt around China. Previously, the periphery was limited to Northeast Asia, Southeast Asia, South Asia and Central Asia. But under the Xi administration the “greater periphery” expanded in accordance with Beijing’s growing power and influence to include West Asia, the South Pacific, and, by some definitions, East Africa.

China’s evolving strategy toward the developing world has mirrored China’s sense of its own identity and place in the world. Beijing now portrays itself as both a developing state and as a major power. Its policies intend to accentuate common interests and promote the emergence of a more “democratic,” “multipolar” international order. The claim that China is the largest developing country identifies it with other developing states and insulates Beijing from taking the lead on international issues such as the Syria refugee crisis and climate change.

China is united with developing states on numerous political-economic issues such as environmental priorities and trade-offs, trade policy, technology standards, and the form and function of international institutions. But despite efforts to portray itself as rooted in solidarity with the developing world, the drivers of its policies are primarily domestic, with regime survival as Beijing’s foremost objective.

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Domestic priorities are evident in its diplomacy, party-to-party relations, defense of sovereign norms in international politics, and its near single-minded emphasis on economic development. Improved living standards remain integral to achieving the “China Dream,” which includes achieving a “moderately well-off society” by 2021.

The developing world is also important for Beijing’s efforts to defend its “territorial integrity.” For Beijing, state sovereignty and non-intervention are motivated by a desire to ward off international condemnation, sanctions and intervention related to its human rights abuses and harsh policies toward minorities in Tibet and Xinjiang.

After a “diplomatic truce” from 2008 to 2016, the competition for diplomatic recognition between Taipei and Beijing resumed with the election of Tsai Ing-wen as President of Taiwan. By November 2018, due to Beijing’s efforts the number of states recognizing Taiwan has fallen to just 17 — all small states, and all but one (the Holy See) in the developing world.

To contain separatist impulses in Tibet, China periodically uses rhetorical intimidation and sanctions against countries and organizations that host the Dalai Lama. Similarly, China’s efforts to secure its claims in the South China Sea include hard power and coercive measures directed against rival claimants. China also solicited support from at least 66 mostly-developing countries for recognition of its maritime territorial claims in the South China Sea.

The developing world now plays a central and growing role in Beijing’s more proactive foreign policy. China’s relations with developing states emphasise countless collaborative enterprises including foreign aid, educational and cultural exchanges, media co-operation, military assistance and training, and political cadre training. Policy lending through the BRI provides new growth opportunities for some developing countries, but also increases debt risks to some partners as well as to China’s own economy.

Increasingly, China is facing pushback in some developing countries, and the extent to which its current strategy translates into global influence will depend largely on whether its “win-win” engagement lives up to its billing.

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