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Guest Column

Chinese BRI more a poisoned chalice than a panacea [Part 2]



By Vishnu Prakash

Sierra Leone became the first African country to scrap plans to build a China-funded \$318 million airport outside Freetown. The World Bank and the International Monetary Fund had warned against the project. Nevertheless, 65 countries have signed into BRI. China is also making inroads in central and eastern Europe, having inter alia roped-in Greece and Italy.

French President Macron, like many other leaders, is opposed to China's BRI investment and influence in the European Union. China "took advantage of our divisions ... The period of European naivety is over" he asserted, terming China's investment in European ports a "strategic error," according to Reuters.

India had little hesitation in teaming with China to establish the BRICS Development Bank in 2014, since renamed the New Development Bank, with an initial authorized capital of \$100 billion. With headquarters in Shanghai it is presided over by K. V. Kamath of India. Similarly, India became a founding member of the Asian Infrastructure Investment Bank (AIIB) that began operations in January 2016. South Korea has since joined the bank.

However, India has declined to join BRI because India believes that connectivity initiatives must be based on universally recognized international norms, rule of law, openness, transparency and equality, and must be pursued in a manner that respects sovereignty and territorial integrity. This is now a widely held viewpoint among nations.

India is especially concerned that CPEC passes through parts of the state of Jammu & Kashmir under the illegal occupation of Pakistan. As such it impinges on India's sovereignty and territorial integrity. India has conveyed her misgivings to China, including at the highest level, asking that these activities cease. State Councilor and Foreign Minister Wang Yi conceded, "One of our fundamental differences is how to look at BRI. The Indian side has their concerns."

Zhu Feng, Dean of the Institute of International Relations at Nanjing University concedes that the Chinese government is quite frustrated at the criticism emanating not only from developed but also developing countries. However, Robert Zoellick former World Bank President, said, "China is trying to rethink a little bit of this ... Chinese technocrats are very capable people and they know that some of these debt problems will explode at some point, so it's better to be transparent about



the debt." (Bloomberg News)

All the same, given President Xi's persona and that BRI is his signature initiative, few senior Chinese functionaries are willing to provide impartial feedback. Yet, China is trying to improve the optics, though its core objectives remain intact and so do the global concerns dogging BRI. Major economies like the U.S. and Japan have come up with some alternatives. In 2016, Japan pledged to invest \$110 billion in infrastructure projects throughout Asia. Japan and India, also agreed to AAGC (Asia-Africa Growth Corridor), to develop and connect ports from Myanmar to East Africa. In 2018 the U.S. established IDFC (International Development Finance Corporation) with \$60 billion. These initiatives are half measures, at best.

That said, China's rise is a reality. Nations, especially in Asia, are beginning to experience the full impact of Beijing's growing might, resolve and ambition. With the U.S. turning inward and more transactional, under the Trump administration, the established geostrategic order is fraying. States have been left with little choice but to fend for themselves and hedge their bets. The prevailing uncertainty is disconcerting, but also offers a unique opportunity for China to play a constructive role, should it so wish. The poisoned chalice could then turn more into a panacea.

Vishnu Prakash is a former Indian ambassador to South Korea.?

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