Clark University

Clark Digital Commons

International Development, Community and Environment (IDCE)

Master's Papers

8-2022

The Belt and Road Initiative Policy: How Chinese Policy Influences Southeast Asia and South Asia

Chendong Wang chendwang@clarku.edu

Follow this and additional works at: https://commons.clarku.edu/idce_masters_papers

Part of the Asian Studies Commons, Chinese Studies Commons, Development Studies Commons, Economic Policy Commons, International and Intercultural Communication Commons, International Relations Commons, and the Politics and Social Change Commons

Recommended Citation

Wang, Chendong, "The Belt and Road Initiative Policy: How Chinese Policy Influences Southeast Asia and South Asia" (2022). *International Development, Community and Environment (IDCE)*. 259. https://commons.clarku.edu/idce_masters_papers/259

This Research Paper is brought to you for free and open access by the Master's Papers at Clark Digital Commons. It has been accepted for inclusion in International Development, Community and Environment (IDCE) by an authorized administrator of Clark Digital Commons. For more information, please contact larobinson@clarku.edu, cstebbins@clarku.edu.

The Belt and Road Initiative Policy: How Chinese Policy Influences Southeast Asia and South Asia

Chendong Wang

August 31, 2022

A Master's Paper

Submitted to the faculty of Clark University, Worcester,

Massachusetts, in partial fulfillment of the requirements for
the degree of Master of Arts in the department of

International Development, Community, and Environment

And accepted on the recommendation of

got mulo

Jude Fernando, Chief Instructor

Abstract

The Belt and Road Initiative Policy: How Chinese Policy Influences

Southeast Asia and South Asia

Chendong Wang

This article would be divided into two main parts. In the first part, this article introduces what is the BRI policy and the history of the BRI policy. The BRI policy is a Chinese strategy and network to connect with Chinese partners and potential partners through economic, political, and cultural three perspectives. In the second part, this article describes the BRI policy development and the response from Chinese neighboring countries which mainly include the Southeast and South Asian Countries. Southeast Asian nations and south Asian nations would first be directly impacted by politics, the economy, and culture. Southeast Asian countries improved their fundamental infrastructure and economic aid from this policy and the economic cooperation improved the development of South Asian countries. However, the political and cultural pressure from the Chinese government keeps interfering in the Southeast and South Asian countries. In 2020, the spread of the pandemic damaged and interrupted the achievements of the BRI policy. For sustaining international relations and the local achievements of the BRI policy, the Chinese government implemented the Mask and Vaccine diplomatic policy and health assistance to support other countries in maintaining the achievements of the BRI policy in the local area.

The article attempts to explain the impact of the BRI program and the reactions of Southeast and South Asian countries to this policy.

Jude Fernando, Ph.D.

Chief Instructor

Academic History

Name: Chendong Wang Date: 8.31.2022

Baccalaureate Degree: Bachelor of Art University of Tennessee, Knoxville

Date: May 2019

Acknowledgement

I would like to express my special thanks of gratitude to those who help accomplish this study. First of all, I am deeply indebted to my professor Jude Fernando, who read my many revisions and solved me some confusions and questions. Thanks to the International Development, Community, and Environment department members in the Clark University to response me some of questions and provide some comments. Thanks for my parents and extra family. They are keeping supporting me to finish my graduate degree.

Table of Contents

1. Introduction	1
2. What is the BRI Policy	3
3. BRI History	6
4. Influence of BRI Strategy	7
4.1 BRI in Southeast Asia	7
4.2 BRI in South Asia	14
4.2.1 BRI Strategy and India	15
4.2.2 BRI in Other South Asian Countries	16
4.3 Compared to South Asia and Southeast Asia	18
5. Conclusion	21
Bibliography	23
List of Tables and Figures	
China's Direct Foreign Investment in ASEAN: 2010-18	8
Amount of DFI Flows to ASEAN After Commencement of BRI	10
COVID-19 Cases and Deaths in Southeast Asia (2021)	12
China's Investments in South Asia	17

1. Introduction

The Belt and Road Initiative (BRI) is a multi-pronged plan initiated by the People's Republic of China with the goal of connecting Africa, Asia, and Europe via land and maritime routes to spur commerce and economic growth. In 2013, the Chinese president Xi Jinping presented this global strategy as the main Chinese global policy to use in global diplomacy relations (Ume Farwa, 2018). In the initial period, the BRI strategy connected with over one hundred fifty countries and international organizations through investing in infrastructure (Terry Mobley, 2019).

The strategy that accompanied the development of this program embraced new countries and territories. Southeast Asian and South Asian countries must assess their ties with China as bordering countries and economic partners. This paper will look at the differences in diplomacy partnerships from a variety of angles, including economic, political, and cultural fields. Even though the Southeast Asian and South Asian countries are the economic partners of China, they expressed various levels of resistant attitudes to the development of the BRI strategy. Southeast Asian countries have a tight relationship with China, and the BRI strategy has helped these countries meet their economic needs (Jan P. Voon, et.al, 2021). However, politics and cultures exert pressure on Southeast Asian countries. On the one hand, China advocated aggressive diplomacy in regard to disputed land issues, while the US aimed to enhance relations with Southeast Asian countries in order to hinder China's expansion (Zheng, 2018). The spread of the pandemic, on the other hand, Covid-19 has wreaked havoc on Southeast Asia. These

countries have to rely on China for health and economic aid to preserve their people (Jan P. Voon, et.al, 2021). At the same time, the influx of Chinese immigration poses a danger to these countries' cultures. In contrast to Southeast Asia, South Asian countries mostly maintain commercial links with China. China built infrastructure in South Asian countries when the BRI strategy was launched. The significant assets, like docks, ports, and minors, were financed by China. Local citizens are dissatisfied with the situation. They considered it an infringement on their sovereignty. During the growth of the BRI strategy in South Asian countries, some local citizens kept resistant attitudes. Furthermore, as China's key Asian opponent, India has a distinct worldwide approach. India and Japan collaborated to develop a worldwide strategy that included Asia, Africa, and Europe. This circumstance creates a barrier to the growth of the BRI strategy in South Asian countries, as well as conflict. The author then attempted to conclude the likely development direction of the BRI strategy in surrounding nations by analyzing the situations of Southeast Asian and South Asian countries. Before this paper was written, there were some papers and journals that examined China's relationship with South and Southeast Asia. This article focuses on the interactions between China and its neighbors, with the goal of determining how the BRI strategy affects these countries. It presented a thorough viewpoint on the BRI strategy's influences and next actions.

There are two sources for the data used in this paper. The first source comes from BRI strategy research, which includes journals, essays, and books. Another source is Chinese government materials available online. It contains general information on Chinese collaboration achievements as well as statistics with other countries from 2013 to now.

The impact of a new coronavirus disease (covid-19) on China's BRI strategy is also examined in this study. Covid-19 made its debut in Wuhan, China, in December 2019 (Yu Zhao, et. al, 2021). The pandemic's expansion harmed the economy's growth and the BRI strategy's implementation. Furthermore, if the virus spreads to other nations, the BRI strategy's supply chain and production line must be shut down. Other countries' diplomatic relations were also altered by this situation. Fortunately, China's outstanding management aids in the containment of the pandemic's spread. Furthermore, the Chinese government supported other countries with health and economic aid. Even if certain collaborating countries such as Sri Lanka, Thailand, and Malaysia have stopped some BRI initiatives, this conduct maintains the BRI strategy and partnerships with other countries.

2. What is the BRI Strategy

In the fifth Session of the 12th National People's Congress of the People's Republic of China (CPPCC) in March 2017, the Chinese government summarized the contents of the BRI strategy as "Five Focuses" and "three communities". "Five Focuses" means that the specific policy which the Chinese government would adopt in the BRI strategy includes policy coordination, unimpeded trade, financial integration, facilities connectivity, and people-to-people bond.

Policy coordination is an advanced condition to understand other countries' politics, economy, and cultural environments and decide on rationalized policies that are used in the coordinated countries. Besides, this section emphasizes that countries should keep timely communication

to discuss the challenges and development problems during the coordination process. Unimpeded trade is one of the main conditions in the BRI strategy. China wants to build relatively equal trend relations to support the future development of China. However, protectionism limited the Chinese trend to developed countries and developing countries. Based on this situation, China proposed an unimpeded trend with coordinated countries which are mainly third world countries. Eliminating protectionism inside these countries would keep the development of the economy and keep an equal trend environment for China and coordinated countries. Financial integration is another one of the main conditions in the five focuses. Financial integration means that the Chinese government should support Chinese enterprises which want to join in the multiple countries' trends. The supporting method is not only from the policies but also the government would provide some projects with funds to stimulate enterprises to join in the BRI strategy. Furthermore, the government should establish a financial system to protect the safety of these enterprises and reduce the risks of trends. Moreover, the Chinese government would supply some economic aid as the cost of the equality trend for some coordinated countries which cannot get benefits from the equality trends. Facilities connectivity means that the traffic should keep flowing in these countries and the belt and road. Also, the Chinese government would supply the workers to build the infrastructure to improve the level of transportation in the trend area. People-to-people bond means culture export. This policy includes the export of Chinese cultures to the coordinated countries and absorbs talented people from the local area. Three communities mean a community of shared interests, responsibility, and destiny. The three communities emphasize that the Chinese government wants to enhance the connection with coordinated countries in the economic,

political, and cultural fields. The BRI strategy would establish the infrastructure to connect Asia, Europe, Oceania, and East Africa. The specific economic infrastructure would include the New Eurasian Land Bridge, China-Pakistan Economic Corridor, China railway express, China-Central Asia-West Asia corridor, China-Indochina Peninsula economic corridor, and some establishment of the maritime Silk Road. These economic infrastructures would be helpful for the communication and coordination between China and their coordinated countries (Yong Deng, 2017).

The fund of the BRI strategy is mainly from three origins. One of the funds is from the Asian Infrastructure Investment Bank (AIIB), which is a multilateral development bank with the highest credit ratings from the big three credit rating agencies called S&P Global Ratings, Moody's, and Fitch Group. AIIB aims to improve the social infrastructure and follows facility connections of the BRI strategy (AAIB Overview, 2017). In 2015, China announced that over 160 billion dollars of infrastructure started in Asia. Secondly, the Chinese government built 40 billion dollars of development funds for the BRI strategy called the Silk Road fund. Thirdly, the Chinese government invested their debts from other countries. Developing countries used their mineral resources, port, or other valuable resources to exchange aid and infrastructure to supply their countries. Some critics doubt that the debt will become a trap to help China get the raw resources from the coordinated countries. However, the Chinese government allows some countries which cannot pay for the loans to delay the payment time. In 2020, the Chinese government decided to cancel debts from some African countries. (Ngaire

Woods, 2008) This is a signal for all countries that China wants to build a positive, rich, and capable foreign image in international diplomacy.

3. BRI History

BRI strategy is not only new foreign diplomacy in China, but it inherited Chinese old diplomacy and expanded the diplomacy into a complete strategic policy. From 1970 to 1980, Chinese development aid supported socialist countries and developing countries. During this process, China started to use sports to make international diplomacy with Africa (Ross, 2014). In 1990, considering the shift in the Chinese market, the Chinese government decided to rebuild its development aid system. In 1993, China established China's Foreign Aid to support the debts of other developing countries (China's Foreign Aid, 2011). At the same time, China started to build peaceful diplomacy with countries that are located in Southeast and East Asia. As a new donor, even though China supplied aid and funds to developing countries, China is always accused of giving blind support to some "rogue" states such as Sudan and Zimbabwe (Ngaire Woods, 2008). Some evidence proves that Chinese development aid would help recipient countries achieve a high growth rate, increased export volume, better trade, and highly public incomes. These proofs increase the conflict between new donors and old donors. Some old donors think that is a challenge to the original international aid system. Also, in the past twenty years, the Chinese international image was a highly effective, cheap labor, and fastgrowing global productive factory. The BRI strategy expresses that China wanted to express its soft power in economic, political, and cultural fields (Anna Kobierecka, 2021). This

expression would be helpful for the cultural identity of citizens. At the same time, this expression is one strategy to try to change the Chinese international image. Building infrastructure and supplying funds to poor countries would improve the relationship with recipient countries and change the external public opinion environment. Furthermore, the BRI strategy wants to express that China is a rich and capable country. Even though China is a developing country, it still helps other developing countries. This policy is called "peaceful rising".

4. Influence of BRI strategy

4.1 BRI in Southeast Asia

The Association of Southeast Asian Nations (ASEAN) is the neighbor union that is influenced by the BRI strategy. ASEAN is a political and economic union of ten number countries in Southeast Asia, which include Brunei, Cambodia, Laos, Indonesia, Myanmar, Philippines, Singapore, Thailand, Vietnam, and Malaysia. ASEAN aims to accelerate the development of Southeast Asia in economy, society, and culture. As the neighbor of China, ASEAN countries try to find a dynamic balanced relationship between China and ASEAN. In 2013, China adopted the suggestion of the BRI strategy to appeal to ASEAN countries to join in this planet strategy (Kai He, 2018). The Chinese government announced that the BRI development aid and infrastructure do not include any political factors. Also, China wants to build equal

relationships between donors and recipients (Kai He, 2018). It means that China will insist on noninterference in other countries' affairs. Even though critics thought that would help some

"rogue" states, these factors appeal to developing countries to join in the BRI strategy. ASEAN expresses supporting attitudes to this strategy. Considering building the infrastructure and keeping the trade balanced, ASEAN countries have different levels of cooperation with China.

		2010	2011	2012	2013	2014	2015	2016	2017	2018
Vietnam	Agriculture	\$5,390								
	Transport	\$170	\$280	\$300	\$140		\$450		\$250	
	Real Estate		\$140						\$340	
	Energy		\$3,260	\$100	\$870		\$3,070	\$420		\$1,010
	Metals	\$340		\$2,290						\$100
	Technology				\$110					
Brunei	Transport	\$140					\$530			
	Energy	* 25 Price \$60,000				\$3,440	Albert W. Hallet			
Laos	Agriculture	\$1,500								
	Transport							\$880	\$2,560	\$1,230
	Real Estate			\$1,520			\$220		\$210	\$1,380
	Energy	\$2,950		\$740	\$1,080	\$250	\$3,110	\$4,330	\$2,910	\$110
The Philippines	Transport							\$200		
	Real Estate							\$150	\$110	
	Energy	\$1,060			\$600	\$1,210		\$1,140	\$3,320	
	Technology			\$350						
Malaysia	Agriculture								\$280	
	Transport			\$130	\$1,900	\$1,300	\$830	\$6,500	\$2,530	
	Real Estate	\$140	\$790	\$1,750	\$1,370	\$360	\$1,190	\$550	\$410	\$170
	Energy	\$770	\$1,160	\$200	\$960	\$1,570	\$6,060	\$600	\$390	
	Metals	\$1,250	\$1,140					\$1,610		
	Technology						\$370			
Cambodia	Agriculture							\$360		
	Transport			\$120	\$250		\$130			\$3,410
	Real Estate						\$630	\$410	\$250	\$170
	Energy	\$350		\$1,150	\$410			\$220	\$820	
	Metals		\$500		\$1,600					
	Technology	\$370								

		2010	2011	2012	2013	2014	2015	2016	2017	2018
Myanmar	Transport	\$100	\$210					\$120		\$150
ā	Real Estate				\$200			\$200		
	Energy					\$370		\$2,330		\$180
	Metals	\$1,480			\$100					
	Technology									\$380
Indonesia	Transport		\$370		\$900		\$380	\$200	\$3610	
	Real Estate		\$1,540	\$410	\$120	\$670	\$100	\$470	\$1,240	\$130
	Energy	\$830	\$1,400	\$2,120	\$360	\$2030	\$6,700	\$2,750		\$210
	Metals		\$1,200	\$1,680	\$600	\$1,830	\$740	\$230	\$350	\$980
Thailand	Agriculture		\$100					\$540		
	Transport	\$170		\$270				\$280	\$2860	
	Real Estate	\$500								
	Energy			\$100			\$510	\$110	\$190	
	Technology					\$1,000		\$210		
Singapore	Agriculture							\$180		
	Transport		\$1,110		\$150	\$1,170	\$250	\$970	\$1,1090	\$200
	Real Estate			\$400	\$1,380	\$670	\$440	\$1,060	\$1,360	\$130
	Energy						\$730		\$720	
	Technology						\$1,660	\$990		

NOTES: "Transport" includes road, railway, shipping, and aviation. "Real estate" includes property and construction while "Energy" includes gas, oil, coal, hydroelectric power, and utilities. "Metals" covers steel and aluminium.

SOURCE: The above figures are retrieved from the American Enterprise Institute database.

The above two tables express China's foreign investment changes from 2010 to 2018. These data could directly express China's infrastructure investment flows in the form of its direct foreign investment (DFI) to ASEAN countries (Jan P. Voon, et.al, 2021). When the BRI policy started, Brunei, Indonesia, Laos, Malaysia, Myanmar, the Philippines, and Vietnam had largerscale infrastructure projects. The six countries are also the main cooperating countries with China in Southeast Asia. This increasing tendency also proves that the BRI strategy is mainly focused on transportation and infrastructure.

Amount of DFI Flows to ASEAN After Commencement of BRI (in US\$ million)

	Transport	Non-transport
Brunei	530	3,440
Cambodia	3,540	2,500
Indonesia	4,190	11,600
Laos	4,670	12,520
Malaysia	11,160	11,300
Myanmar	270	2,710
The Philippines	200	2,720
Singapore	13,680	5,110
Thailand	3,140	810
Vietnam	700	4,940

The above figures are retrieved from the American Enterprise Institute database (Jan P. Voon, et.al, 2021). The investments in both transport and non-transport infrastructure express the flows from China's direct foreign investment to Southeast Asia. Since the BRI started, China's DFI flows to the ASEAN countries have highly increased. Especially in Malaysia, China invests in both transportation and non-transportation areas more than 10 billion dollars. Combining the three tables, this data shows that the BRI investment is completely in southeast Asia. Even though China emphasizes that the BRI strategy focuses on infrastructure and trade, the BRI strategy is also deeply involved in energy, real estate, technology, and agriculture with Southeast Asian countries. The high investments in ASEAN might be a signal that China wants to dominate the cooperating works with ASEAN.

However, accompanying the development of the BRI strategy, ASEAN faces pressure in political, cultural, and economical areas. In 2018, the China-United State trade war started.

America implemented the first round of tariffs and other trade barriers to China. This trade war also influenced the development of ASEAN. In 2019, the ASEAN's exports declined by 2.5% and imports declined by 3.5%. Also, the main value of export and imports also declined by 3.6% and 4.8% (Graham Ong-Webb, 2020). This financial war forces ASEAN to preserve economic multilateralism, investments in infrastructure and industrial systems, and increase the development of regional supply chain integration. However, even though in January 2020, China and the United States stopped the first stage of the trade war, the covid-19 became the main factor influencing the development of the economy. This WHO COVID-19 Death Rate in Southeast Asian Countries' table reals that these Countries had low death rate in this pandemic until January 2021. Except for the Philippines and Indonesia, other southeast Asian countries controlled the spread of the diseases. However, when other countries start to adopt the harsh public health measurement, the limitation of the supply chain influences the development of exports and productive trade. At the same time, southeast Asian countries which depend on tourism and services lose their visitors. This economic damage makes ASEAN countries have to rely on the development aid from the BRI strategy.

COVID-19 Cases and Deaths in Southeast Asia (as of 31 January 2021)

Name	Cumulative Cases	Cumulative Deaths	Deaths as a percentage of regional total	Deaths – cumulative total per 1 million population
Brunei	180	3	0.0	6.9
Cambodia	465	0	0	0
Indonesia	1,066,313	29,728	66.9	108.7
Laos	44	0	0.0	0
Malaysia	209,661	746	1.7	23.1
Myanmar	139,864	3,125	7.0	57.4
Philippines	523,516	10,669	24.0	97.4
Singapore	59,507	29	0.1	5.0
Thailand	18,782	77	0.2	1.1
Vietnam	1,781	35	0.1	0.4
Total	2,020,113	44,412		

Source: WHO https://covid19.who.int/table.

The economic vulnerability in ASEAN means vulnerability in politics. ASEAN faces political pressure from China and America. In 2019, even though China kept the trade war with the United States, China also expressed a firm attitude toward the South China Sea disputes. The South China Sea dispute is a history of conflict between China and ASEAN countries. In November 2011, Chinese President Xi Jinping made the first visit to the Philippines to sign a memorandum of understanding with President Duterte on the oil and gas exploration in the South China Sea. The local environment sectors and fishermen protested this decision (Zheng, 2018). This resistant emotion limited the relationship between China and other countries which have benefits in the South China Sea. In April 2020, the China council announced two new district councils to express sovereignty in the South China Sea (Jan P. Voon, et.al, 2021). Vietnam and Malaysia argue with the Chinese government. However, the countries in ASEAN still rely on the Chinese vaccine and economic aid to pass the crisis because they do not have a complete public health system to treat the crisis of covid-19. Especially in Indonesia, the

central government received criticism because of its slow activities. This problem also happened in the Philippines. Different from Southeast Asian countries, China has a highly centralized government and controls the spread of pandemics through a harsh public health policy. This type of government reveals the strength of China in the conflict of the China-South Sea. Facing these problems, the countries in ASEAN have different attitudes. Some countries which have some conflicts with China like Vietnam and Malaysia expressed tough attitudes to resist the power of China. However, most ASEAN countries decided to control their conflicts with China. Furthermore, ASEAN countries are confronted with pressure from America. Different from president Trump, the new president Biden aims to benefit the southeast countries. In 2021, when Biden became a new president in America, he announced that America would pay more attention to Southeast Asia (Lavina Lee, 2021). Biden thought that China would be a new challenge for America and admitted to using all power to restrain the development of China. This admission means that America would put more power to force ASEAN to support America instead of China. ASEAN countries need the infrastructure and vaccine help from the BRI strategy. However, these countries also need to seek to minimize tensions with other powerful countries. It means that ASEAN would face more pressure from both China and America in the future.

Except for the influence of politics, the BRI strategy also influences ASEAN's citizens in cultural areas. As the largest population country, ASEAN has a large, migrated population from China. When China plays a dominant role in diplomatic relations with ASEAN, the ASEAN

migrated population would be hard to assimilate into the local society. This situation would create conflicts between indigenous people and migrated Chinese (Graham Ong-Webb, 2020).

In the last century, Indonesia and Malaysia had a violent massacre against the Chinese people. In 2018, when Malaysia started the "Malaysia, My Second Home" ten-year multiple-entry social pass scheme, most applications are from Chinese. President Mahathir then said that foreigners cannot get residency visas through this project (Jan P. Voon, et.al, 2021). This worry from the Malaysian president expresses that the Chinese migration population impacts the local community cultures. This challenge influences all countries with the improvement of Chinese international influence.

4.2 BRI in South Asia

Different from the BRI strategy expressing the multiple areas of economy, politics, and culture in Southeast Asia, China adopted it to enhance its economic connections with South Asia. South Asia is constituted of seven countries: Maldives, Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka (Romi Jain, 2021). And then, Afghanistan became the eighth country in South Asia. Even though these countries have conflicts such as India and Pakistan, the countries in South Asia have similar cultural backgrounds, languages, religions, and customs. As the biggest country in South Asia, India has enough influence on other countries except for Pakistan. For China, if the BRI strategy wants to dominate the cooperation with South Asian countries, China has to challenge India's power in this area (Sayantan Haldar, 2018). At the

same time, to protect local influence and benefits, India will limit the influence of the BRI strategy in South Asia through economic, political, and social methods.

4.2.1 BRI strategy and India

For political and economic considerations, India refuses to join the BRI strategy. Even though China announced that the BRI strategy wants to build a win-win model to cooperate with all of the countries, China dominated the BRI strategy and made a complete network on the planet. For India, which is another large economy like China because of the large population and huge market, China is more like a competitor instead of a cooperative partner. Compared with the potential benefits of the BRI strategy, India should consider that the BRI strategy brings China power to other South Asian countries and possibly incident the dominant location of India in South Asia. India tries to indirectly join in some economic infrastructures of the BRI strategy. For example, India joins in the building part of the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC) (Sayantan Haldar, 2018). However, India has a traditional religious conflict with Pakistan. Because of the traditional historical conflicts with Pakistan, India could not agree with some policies. A typical example is the China-Pakistan Economic Corridor (CPEC) which is from Kashgar in China to Gwadar in Pakistan's passes Pakistan occupied Kashmir which is a disputed territory between India and Pakistan. India thought this behavior violated the sovereignty of India (Sayantan Haldar, 2018). Also, different from China,

India tends to connect with developed countries such as the United States and British. Furthermore, India's foreign diplomacy has become positive to enhance relationships with other Asian countries. One obvious signal is India cooperating with Omen to retrace the ancient Spice Route to make relationships with middle Asian countries (Sayantan Haldar, 2018). Meanwhile, India started to build the Asia Africa Growth Corridor (AAGC) with Japan. The AAGC project would include India, Japan, Africa, middle Asia, and Europe. This project expresses that India as a new strength economy wants to compete with China in the global influence.

Except for the sovereign and dominant issue, the boundary conflicts also express the determination of India. When China enhances its investment through the BRI strategy in South Asia, the boundary political competition is directly reflected in the military confrontation. Since May 2020, China and India have had a series of partly military conflicts and caused casualties (US Institute of Peace, 2020). Both China and India choose tough foreign attitudes toward each other when they seek to develop without limitations. Considering their different global development strategies (BRI and AAGC), India and China will keep a competitive opponent relationship before the two countries become complete economies.

4.2.2 BRI in Other South Asian Countries

China keeps investing in South Asia because of the trade and benefits. As a new large economy, China should unequivocally present its dominating location in foreign diplomacy. The BRI strategy is a suitable opportunity to establish the influence of China in South Asia. Moreover,

South Asia has enough population as the potential market and cheap labor. China could put their obsolete industry in some South Asian countries. Besides, South Asian countries have enough resources. The table below expresses China's investments in South Asia.

China's Investments in South Asia

Country	Years: 2016-2018	Years: 2010-2015		
Bangladesh	\$18.53 B	\$ 7.91 B		
India	\$ 7.33B	\$ 8.76B		
Maldives	\$ 970M	\$ 730M		
Nepal	\$ 3.5B	\$ 1.42B		
Pakistan	\$ 13.88B	\$ 34.23B		
Sri Lanka	\$ 4.29B	\$ 8.82B		

Even though India does not join in the BRI strategy, China still has investments in India. Except for Bhutan, other South Asian countries receive the investment and join in the BRI strategy. India's attitudes influenced the development of the BRI strategy in South Asia. Therefore, compared with Southeast Asia, China mainly used economic aid to influence the South Asian Countries. China has three types of economic aid for South Asia: Grants, interest-free loans, and concessional loans to establish their countries mainly through infrastructure in South Asian countries. In Nepal, China started 25 important projects which include electricity, water, food/material assistance, street, airport, hospital, and transportation (Ministry of Foreign Affairs, Nepal, 2019). The complete cooperation means that some South Asian countries are willing to accept the BRI strategy instead of the resistant attitudes. In Bangladesh, China

invested 18.53 billion dollars from 2016 to 2018 (Romi Jain, 2021). Bangladesh is the second biggest country in South Asia and has over one hundred million population. China used specific actions to show cooperative attitudes. Through the BRI strategy, China established infrastructures that include the supply of electricity, clean water, food supplement, and transportation. These key buildings satisfy the Bangladesh government to supply the basic needs of indigenous people. On the other hand, the Free trade agreement (FTA) with Pakistan did not have predictable results. The Baloch Liberation Army (BLA), a military group announcing separatism for the Baloch people in Pakistan, attacked the Chinese consulate in Karachi (Anu Anwar, 2020). This attack is not an isolated case. Similar to this case, most Sri Lanka people resisted the BRI strategy in Sri Lanka because the Sri Lanka people thought that the government sold their sovereignty to China. The local critics criticize that Sir Lanka fell into the Debt trap by China through the BRI strategy (Tim Fernholz, 2018). These attack cases and critics indicate that people in South Asian countries still keep alert to China and the BRI strategy. China needs to spend more time and investment in South Asia to promote the BRI strategy.

4.3 Compared to South Asia and Southeast Asia

Despite the fact that we examine the impact of the BRI strategy on South Asia and Southeast Asia, the specific condition of the two areas cannot be simply described as cooperative or noncooperative. There are cooperative and noncooperative countries in both zones. Cambodia is a typical supporter of the BRI strategy in Southeast Asia. Cambodia has had a closed ally

relationship with China since the 1980s (Goh, 2016). As a result, China has made significant investments in Cambodia. Sihanoukville, for example, is a special economic metropolis that has a port, industry, and casinos (Matt Ferchen, 2021). The BRI policy is met with opposition in Vietnam. Even though Vietnam did not express its views explicitly, the long-standing hostile relationship caused the Vietnamese to harbor reservations about the BRI strategy, including the investment in infrastructure and the industrial system (Matt Ferchen, 2021). In South Asia, despite India's opposition, Bangladesh and Pakistan have welcomed the investment. Bangladesh's development is hindered by a lack of local infrastructure. Bangladesh is a suitable partner for China because it has a large market and is developing rapidly (Anu Anwar, 2020). These needs contribute to the South Asian region's BRI strategic development.

China's rise has strained relations with other surrounding countries objectively. China exerts pressure on the South and Southeast Asian regions. Southeast Asian countries, on the other hand, face numerous economic, political, and cultural constraints, whereas South Asia mostly faces economic pressures and some sovereignty difficulties. Chinese immigrants in Southeast Asian countries pose a danger to local community customs. A considerable number of Chinese immigrants moved to Southeast Asian countries like Malaysia and Singapore in the last century (Jan P. Voon, et.al, 2021). Conflicts and social security issues arise as a result of the different cultures. Furthermore, the maritime territorial issue with China continues to obstruct the implementation of the BRI strategy. Because of the maritime territorial conflict in the South China Sea, this is one of the reasons Vietnam continues to cooperate with China in the BRI policy (Matt Ferchen, 2021). In terms of the economy, the pandemic is destroying Southeast

Asia's tourism industry. Other countries should provide greater aid and health care to these countries. China and the United States continue to support these countries and work to strengthen their ties with South Asian nations (Lavina Lee, 2021). The cultural bases of South Asian countries differ from those of China. This means that these countries' only economic relationship with China is one of cooperation. On the other hand, the BRI policy exacerbates South Asian sovereignty concerns. Some infrastructure projects will be exchanged for precious minerals and exclusive use of ports and piers under the BRI policy. This scenario leads to some people having a negative attitude toward the invention of sovereignty. These feelings quickly turn into targeted activities and a parade of resistance to the BRI program throughout South Asia. It creates a security issue for BRI project employees.

In Southeast Asian countries, Chinese immigrants threaten the indigenous community cultures. In the last century, a large number of Chinese immigrants came to Southeast Asian countries such as Malaysia and Singapore (Jan P. Voon, et.al, 2021). The different culture creates conflicts and social security problems. Also, the maritime territory dispute with China is still a problem for the development of the BRI strategy. This is one of the reasons that Vietnam keeps resistant attitudes to cooperate with China in the BRI policy because of the maritime territorial dispute in the South China Sea (Matt Ferchen, 2021). In the economic area, the pandemic destroys tourism in Southeast Asia. These countries need more aid and health assistance from other countries. China keeps supporting these countries and trying to improve their connections with South Asian countries (Lavina Lee, 2021). South Asian countries have different cultural backgrounds from China. It means that these countries only have an economic cooperative

relationship with China. However, on the other hand, the BRI policy makes the sovereignty issues in South Asia. In the BRI policy, some infrastructure projects will be exchanged by the valuable minerals, and the exclusive use of ports and piers. This situation makes some of people's opposite view towards the invention of sovereignty. These emotions rapidly become the attacked activities and parade to the resistance of the BRI policy in South Asia. It makes a security problem for the BRI project workers.

5 Conclusion

The Belt and Road Initiative policy plays an important role in Chinese international relations. As China's global strategy, the BRI strategy focuses on infrastructure and foreign diplomacy. The specific contents of the BRI strategy include trade, funds, infrastructure, policy communication, and talent policy. The funds are from AIIB, Silk Road Funds, and debt investments. On the other hand, this policy brings both benefits and challenges to China's neighbors. The resources from the BRI policy would improve the comprehensive strengths of the Southeast and South Asian countries. However, when the Chinese government used this policy to emphasize its benefits in the political field, these countries have to reevaluate their position in the relationship with China.

Towards Southeast Asian countries, the Union ASEAN received enough benefits from the BRI strategy. Even though the investment from the BRI policy is mainly aimed at the transportation areas, southeast Asian countries still received non-transportation investment aid to support their development. Nevertheless, ASEAN is under pressure as a result of the growth of the BRI plan. In the economic aspect, China and the United States started a trade war in 2018. ASEAN received both sides of pressure from China and the United States. China and the United States put economic pressure on ASEAN. When there are disagreements, like the South China Sea issue, the ASEAN countries find it difficult to voice their political opposition to China. The majority of ASEAN countries choose to limit the severity of their disputes with China. The public issue in ASEAN is Chinese migration. Integration into the local community is challenging for migrants from China because of their unique cultural backgrounds. Some ASEAN nations must reject Chinese immigration. In 2020, covid-19 damaged the ASEAN countries' economies, especially in the travel and service career. This damage forced the Southeast Asian countries to rely on health assistance and aid from China. It means that the ASEAN countries have to keep supporting the development of the BRI policy to obtain economic help from China.

South Asian countries are different from ASEAN countries. South Asian countries have different cultural backgrounds from China and Southeast Asian countries. However, these have opposite choices when they face the BRI strategy. Bhutan and India reject the BRI policy. India has diverse markets and links with other countries. India hopes to establish a strong international economic network as a prospective large economy. From this perspective, China

and India will maintain a competitive relationship in order to develop their respective economic and political networks with the nations which they are cooperating with. The cooperation with China in the BRI initiative is welcomed by other South Asian nations. However, different cultures and the strength of China make South Asian countries keep alert to the relationship.

The cooperation relationship only keeps the economy and trade.

In 2020, Covid-19 significantly harmed the development of the BRI policy. The majority of countries postponed or abandoned the BRI project, even though China employed the Mask and Vaccine diplomatic strategy to share some benefits and maintain the achievement of the BRI policy in the local region. The pandemic increases the cost of this strategy and the pressure on the Chinese government to maintain this policy. Considering the situation of the BRI strategy, China requires additional capital to support the development of this strategy. Summarily, the initial period of the Belt and Road Initiative policy is successful in expressing a strong image of the Chinese government in international relations. However, accompanied by the opponents from the neighboring countries and the spread of the pandemic, the Chinese government has to postpone the BRI policy after the end of the pandemic and the economic shutdown.

Bibliography

1. Farwa, Ume. "Belt and Road Initiative and China's Strategic Culture." *Strategic Studies* 38, no. 3 (2018): 40–56. https://www.jstor.org/stable/48539383.

- 2. Mobley, Terry. "The Belt and Road Initiative: Insights from China's Backyard." *Strategic Studies Quarterly* 13, no. 3 (2019): 52–72. https://www.jstor.org/stable/26760128.
- 3. Voon, Jan P., Chung Chien-peng, and Chan Sze Nam. "Political-Economic Suboptimization of China's Belt and Road Initiative: The Case of Infrastructure Investments in Southeast Asia." *Journal of Southeast Asian Economies* 38, no. 2 (2021): 244–62.

https://www.jstor.org/stable/27041375.

- 4. Zheng, Z. (2019). The Changing Asian Perception of China's Rising: A BRI Context. In China's Belt and Road Initiative in a Global Context (pp. 41-59). Palgrave Macmillan, Cham.
- Zhao, Yu, Hongyuan Zhang, Yibing Ding, and Sitong Tang. 2021. "Implications of COVID19 Pandemic on China's Exports." Emerging Markets Finance and Trade 57 (6): 1716—
 - 26.https://search.ebscohost.com/login.aspx?direct=true&db=eoh&AN=1899368&site=eds-live.
- 6. DENG, YONG. "HOW CHINA'S BELT AND ROAD IS REORDERING ASIA." *Harvard*
 - International Review 39, no. 4 (2018): 30–35. https://www.jstor.org/stable/26617376.
- 7. "About AIIB Overview AIIB". aiib.org. Archived from the original on 30 September 2017.
 - Retrieved 1 October 2017.
- 8. Woods, Ngaire. "Whose Aid? Whose Influence? China, Emerging Donors and the Silent

Revolution in Development Assistance." *International Affairs (Royal Institute of International Affairs 1944-)* 84, no. 6 (2008): 1205–21. http://www.jstor.org/stable/25144989.

9. Ross, E. (2014). China's Stadium Diplomacy in Africa.

https://roadsandkingdoms.com/2014/chinas-stadium-diplomacy-in-africa/.

- 10. Information Office of the State Council. (2011). China's Foreign Aid (White Paper).
 https://www.eu-china.net/upload/pdf/nachrichten/2011-04-21Chinas-ForeignAidWhitePaper.pdf.
- 11. Anna Kobierecka. 2021. "Manifestations of Chinese Development Aid and Its Hidden Meanings." Polish Political Science Yearbook 50 (1): 9–23. doi:10.15804/ppsy202101.
- 12. He, Kai. "China and Southeast Asia: Strategic Interdependence in the Making?" *Asia Policy* 13, no. 4 (2018): 17–23. https://www.jstor.org/stable/26533121.
- 13. Ong-Webb, Graham. "Southeast Asia in 2019: Adjustment and Adaptation to China's Regional Impact." Southeast Asian Affairs, 2020, 3–18. https://www.jstor.org/stable/26938881.
- 14. Lee, Lavina. "SOUTHEAST ASIA IN 2020: Economic and Social Hardship, and Strategic Strain." *Southeast Asian Affairs*, 2021, 3–21. https://www.jstor.org/stable/27075072.
- 15. Jain, Romi. "How China Confronts the United States: Global Image and the COVID-19 Pandemic." *Indian Journal of Asian Affairs* 34, no. 1/2 (2021): 120–30. https://www.jstor.org/stable/27091700.

- 16. Jain, Romi. "China's Economic Expansion in South Asia: Strengths, Challenges and Opportunities." *Indian Journal of Asian Affairs* 31, no. 1/2 (2018): 21–36. https://www.jstor.org/stable/26608821.
- 17. Haldar, Sayantan. "Mapping Substance in India's Counter-Strategies to China's Emergent Belt and Road Initiative: Narratives and Counter-Narratives." *Indian Journal of Asian Affairs* 31, no. 1/2 (2018): 75–90. https://www.jstor.org/stable/26608824.
- 18. US Institute of Peace. "China-India Relations." *China's Influence on Conflict Dynamics in South Asia*. US Institute of Peace, 2020. http://www.jstor.org/stable/resrep27534.8.
- 19. Ministry of Foreign Affairs, Nepal, "Nepal-China Relations," https://mofa.gov.np/nepalchina-relations/
- 20. Anwar, Anu. "SOUTH ASIA AND CHINA'S BELT AND ROAD INITIATIVE: SECURITY IMPLICATIONS AND WAYS FORWARD." Edited by Alexander L. Vuving. HINDSIGHT, INSIGHT, FORESIGHT: Thinking About Security in the IndoPacific. Daniel K. Inouye Asia-Pacific Center for Security Studies, 2020. http://www.jstor.org/stable/resrep26667.15.
- 21. Tim Fernholz, "China's 'Debt Trap' Is Even Worse Than We Thought," Quartz, June 28, 2018, https://qz.com/1317234/chinas-debt-trap-in-sri-lanka-is-even-worse-than-wethought/.
- 22. Goh, Evelyn (ed.), Rising China's Influence in Developing Asia (Oxford, 2016; online edn,
 Oxford Academic, 19 May 2016),
 https://doi.org/10.1093/acprof:oso/9780198758518.001.0001, accessed 16 Aug. 2022.

23. Ferchen, M. (2021). The Two Faces of the China Model: The BRI in Southeast Asia. In F. Schneider (Ed.), *Global Perspectives on China's Belt and Road Initiative: Asserting Agency through Regional Connectivity* (pp. 245–264). Amsterdam University Press. https://doi.org/10.2307/j.ctv1dc9k7j.13