

Article

Summary Description of the BRI Report, 共建“一带一路”倡议进展、贡献与展望 [The Belt and Road Initiative Progress, Contributions and Prospects] (April 2019)

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A few days before the opening of the Second Belt and Road Forum for International Cooperation, held from April 25 to April 27, 2019, the Office of the Leading Group for Promoting the Belt and Road Initiative published a 68-pages Report titled 共建“一带一路”倡议进展、贡献与展望 [The Belt and Road Initiative. Progress, Contributions and Prospects].¹

The Report is divided in three sections, and it is the single most important document on the BIR after the 2015 Visions and Actions on Jointly Building the Silk Road Economic Belt and 21-st Century Maritime Silk Road² (*Visions and Actions*). The *Visions and Actions* outlined the grand project of a new model of globalization. Initially met with some skepticism, this “globalization with Chinese characteristics” is still the object of criticism.³ In the meantime, China and several European, Latin American and African countries - which had been cooperating with China as well as with other partners for roughly 45 years if not more - quietly went on building a global system of economic, juridical⁴ and political governance.

The Report describes all the results this far achieved by the Belt and Road Initiative, and how the Belt and Road Initiative may unfold in a very near future. More importantly, the Report outlines the content of this system of governance, its very structure, logic and its broader

1 OFFICE OF THE LEADING GROUP FOR PROMOTING THE BELT AND ROAD INITIATIVE, THE BELT AND ROAD INITIATIVE. PROGRESS, CONTRIBUTIONS AND PROSPECTS 2019 (2019).

2 NATIONAL DEVELOPMENT AND REFORM COMMISSION, MINISTRY OF FOREIGN AFFAIRS, AND MINISTRY OF COMMERCE OF THE PEOPLE'S REPUBLIC OF CHINA, VISION AND ACTIONS ON JOINTLY BUILDING SILK ROAD ECONOMIC BELT AND 21ST-CENTURY MARITIME SILK ROAD (28 March 2015), available at http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html

3 Christopher Balding, *Why Democracies Are Turning Against Belt and Road Corruption, Debt, and Backlash*, FOREIGN AFFAIRS, October 24, 2018, available at <https://www.foreignaffairs.com/articles/china/2018-10-24/why-democracies-are-turning-against-belt-and-road>

4 Larry Catà Backer, *New Guiding Cases From China Relating to Belt and Road Initiative--Emerging Jurisprudence for a New Global Trade Regime?* LAW AT THE END OF THE DAY, April 3, 2019, available at <http://lbackerblog.blogspot.com/2019/04/new-guiding-cases-from-china-relating.html>; Joel Slawotsky, *The Longer-Term Ramifications of China's BRI Jurisprudence*, LAW AT THE END OF THE DAY, April 15, 2019, available at <http://lbackerblog.blogspot.com/2019/04/joel-slawotsky-longer-term.html>

features. The document also provides valuable clues as to: *what* this new system of governance still lacks to completely fulfil its stated goals; *how* the governance system proposed by China substantially differs from global governance under the Washington Consensus; *how* the “Beijing Consensus” reproduces certain features of European nation-states during the so-called first wave of globalization. Some of these features were already mentioned in the *Prelude* to the present volume, and they will be not recalled here.

The Preface of the Report describes the launching of the Belt and Road Initiative, and the most important cooperation meetings that have been held this far. It continues by providing a definition of what the Belt and Road is, and differentiating this model from the existing model of global governance. Page 3 defines the Belt and Road as follows:

The Belt and Road Initiative originated in China, but it belongs to the world. It is rooted in history, but oriented toward the future. It focuses on Asia, Europe and Africa, but is open to all partners. It spans different countries and regions, different stages of development, different historical traditions, different cultures and religions, and different customs and lifestyles. It is an initiative for peaceful development and economic cooperation, rather than a geopolitical or military alliance. It is a process of open, inclusive and common development, not an exclusionary bloc or a “China club”. It neither differentiates between countries by ideology nor plays the zero-sum game. Countries are welcome to join in the initiative if they so will.⁵

Section One of the Report follows the same structures as the 2017 *Visions and Actions*, listing the components of the BIR under separate paragraphs, and describing how each one of this goals has been fulfilled in the last 6 years:

- (a) Policy coordination. The Belt and Road Initiative “has been incorporated into important documents of international organizations”,⁶ giving life to an emerging international consensus about the expectations and standards of behavior States are willing to accept in their interaction. Next follows the information that “By the end of March 2019, the Chinese government had signed 173 cooperation agreements with 125 countries and 29 international organizations”⁷ and an overview of policy coordination across different fields of governance.
- (b) Infrastructure connectivity. This section describes the current status of the global network of physical and digital infrastructure China has been constructing since 2013, if not even before the launch of the Belt and Road. Here, we find a list of all the infrastructure projects allowing a smooth reach of flows of investment and commodities from China to Europe, Asia, Latin America, Africa, and viceversa.

5 OFFICE OF THE LEADING GROUP FOR PROMOTING THE BELT AND ROAD INITIATIVE, THE BELT AND ROAD INITIATIVE. PROGRESS, CONTRIBUTIONS AND PROSPECTS 2019 3 (2019).

6 *Ibid.*, at 5.

7 *Ibid.*, at 6.

- (c) Unimpeded trade. Closely related to the goal of building physical and digital infrastructure is the goal of trade. If the global trade system seems to be retreating in competing regional trade blocks, the 125 countries who are members of one or more of the blocks are cooperating with China to an alternative system of trade and investment. One ideally designed to reinforce the trajectories of convergence already visible in the first and second paragraph of Section I.
- (d) Financial integration. Convergence in policy-making, infrastructure, and free trade needs to be supported by financial integration. This paragraph of the Report describes how the Belt and Road Initiative is leading to the birth of a new model of international investment and financing. One that is rhizomatic and decentralized, and premised on China's cooperation with various multilateral development institutions. The Belt and Road Initiative is also resulting in the creation of new financial products, included the Panda Bonds some European sovereign governments, such as Poland,⁸ are already issuing. Step by step, the *Renminbi* is moving towards becoming a currency for international payment, investment, trade, and reserve.
- (e) People-to-people ties. More than in any other section in the Report, here similarities between the new model of transnational governance of the OBOR and Massimo d'Azeglio's ideas about domestic governance are striking. "*We have made Italy. Now we must make Italians*", d'Azeglio declared.⁹ Culturally diverse territories were unified under a single government in 1861, but it took almost 100 years, and the advent of the state television, for all the Italians to speak the same language. Equally striking, in light of Chinese tradition itself, is the choice to place people-to-people ties as the last goal in the list of priorities of the Belt and Road.
- (f) Industrial cooperation. This goal was absent from the list of 5 cooperation priorities articulated by the 2017 Visions and Actions. The section describes the flow of investment from China to its BIR partners.

Section Two of the Report describes how each one of the Belt and Road partners has contributed to constructing a "community of shared future" through "extensive consultation, joint contribution, and shared benefits". The section outlines how the Belt and Road Initiative was first proposed by China in 2013, seeing the consensus of the heads of state and government of 29 countries, and representatives of 140 countries, of several regional and international organizations, and 3,600 foreign enterprises. China has also been very active in advocating for the global adoption of the guiding principles of the Belt and Road. This far, the principles of 'consultation of an equal footing', 'openness', and 'inclusiveness' have been promoted within 18 different multilateral mechanisms. China has also established several track two mechanisms for dialogue, that are seeing the participation of Western political parties, parliaments, think tanks, NGOs, businesses, etc. Next, but not least, have come the creation of the Asian Infrastructure Investment Bank, that now includes 93 different members, and cooperation in third-party markets.

8 Ina Zhou, *Austria Joins Portugal in Seeking to Tap China's Bond Market*, BLOOMBERG, April 29, 2019, available at <https://www.bloomberg.com/news/articles/2019-04-29/austria-joins-portugal-in-seeking-to-tap-china-s-bond-market>

9 CHARLES L. KILLINGER, *THE HISTORY OF ITALY* 1 (2002).

Section Two further describes how a convergence of interest between China and each one of the OBOR countries has been achieved by providing aid in poverty reduction, agriculture, education, health, and other fields. The Section provides an overview on these initiatives, mentioning how China has signed 46 agreements on cooperation in science and technology, facilitating the transfer of technology. To realize the notion of 'green development', China has worked with the United Nations Environmental Program. Generally speaking, through the Belt and Road Initiative the country is "offering a Chinese approach to reforming the current global governance system".¹⁰ Here, Section 2 of the Report comes to an end, and Section 3 starts. This section offers a blueprint for the future development of the Belt and Road Initiative. The entire section is weaved around 6 notions. Each one of these notions is sufficiently general and abstract to attract a wide consensus and agreement. The notions are those of:

- (a) **Peace**, understood as the existence of a stable environment that favors investment, partnership, and respect for principles of international relations established at Westphalia, included those of sovereignty, national security, etc.
- (b) **Prosperity**, understood as economic growth and development through free trade and the removal of barriers to investment, through infrastructure projects and industrial cooperation; through new financial services and cooperation between national governments and private enterprises
- (c) **Opening up**. This paragraph repeats the definition of the Belt and Road Initiative on page 2 of the Report
- (d) **Green development**, understood as including a reduction in carbon emissions, notions of circular economy and environmental protection
- (e) **Innovation**, understood as involving cooperation in science and technology, and its integration with industry and finance; the access of all countries to global industrial and value chains constructed by China; technology transfer; information technology etc.
- (f) **Connected civilizations**, understood as an attempt to align persons who live in the countries adhering to the OBOR to the broader governance structures of the Belt and Road
- (g) **Clean government**, understood as the complex of regulatory and policy means needed to reduce negative externalities, bureaucratic red tape, monitoring and accountability systems.

In its closing paragraph, the Report calls for embracing the concept of development proposed by China, its values and governance structures, and forging a global consensus about the desirability of the Belt and Road Initiative.

¹⁰ *Ibid.*, at 46.