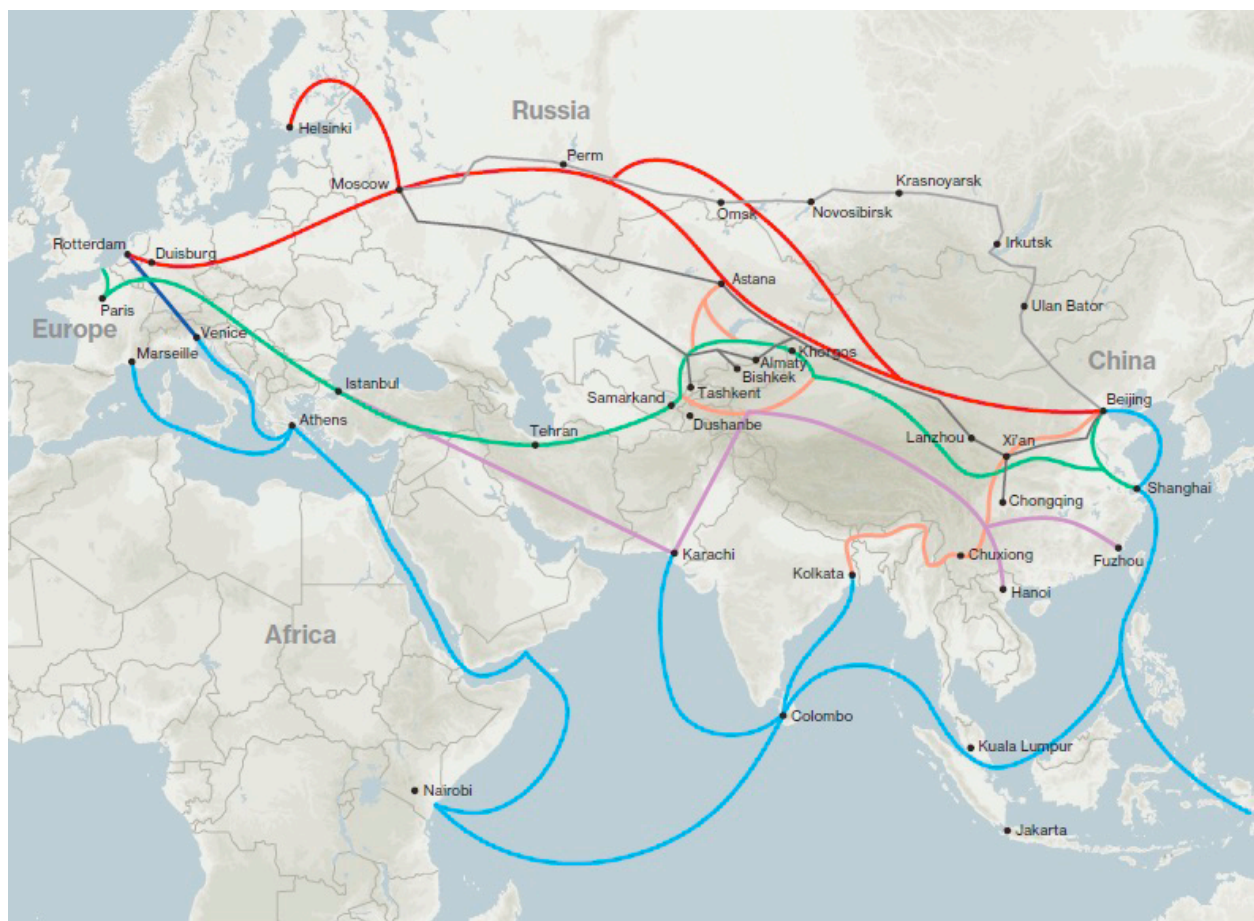


**The Belt and Road Initiative: The Silk Route Economic Belt (SREB)
and the 21st century Maritime Silk Route (MSR)**



1) The commencement of the Belt and Road Initiative

In 2013 China launched a strategic initiative — called the *Belt and Road Initiative* — with the objective of connecting Asia, Europe and parts of Africa through a network of railways, roads and maritime routes. In a bid to foster all-inclusive global economic integration and transformation, China has even extended an invitation to the US to join this initiative. Apparently, China’s plan is inspired by the medieval Silk Road (“the Silk Road Economic Belt”), which is linked to the 21st Century Maritime Silk Road, with global trading activities anchored by China’s immense resource potential. Of course, the current design has caused controversy on account of the integrative and reciprocal nature of the global economy. China will facilitate the two-way traffic in exchange for goods and services.

With a view to concretizing the imperatives of the initiative, China will be hosting the Belt and Road Forum for International Cooperation in Beijing on 14 and 15 May. President Xi Jinping will host a roundtable leaders summit during the forum, with at least 28 Heads of State and Government expected to attend.

Taking this preparation into account, the CDRC held a series of discussions with a

number of think tanks, government officials and other stakeholders in Beijing, engaging with the stakeholders to find out what the initiative entails and the unprecedented opportunity it provides to China and the world in general, and to Africa in particular.

CDRC representatives discussed all aspects of the Belt and Road Initiative, from its conception to its implementation, with senior officials of the government of China who have been directly engaged in the planning and coordination in the implementation of the project—identifying the challenges and opportunities the initiative offers in the implementation of the project, crafting strategies for communication to address these challenges, and designing mechanisms on the way forward.

An initiative that began with a vision outlined by China’s President Xi Jinping during visits to Kazakhstan and Indonesia, drawing on the opportunities for good neighborliness and interconnectivity for economic development in a win-win framework, the Belt and Road Initiative has already taken off, resulting in the investment of billions of dollars across multiple sectors, including transport, energy, communications, investment, trade, industry, finance, education, tourism and technology.

2) The basic principles and characteristics of the initiative

In the realization of this initiative, the leaders of China have identified the core values of peace and cooperation, openness and inclusiveness, mutual learning and benefit, joint construction and cooperation. The Chinese officials identified five major goals of connectivity: policy coordination, connectivity of infrastructural facilities, unimpeded trade, financial integration and strengthening people-to-people bonds. These are the priorities and the pillars of the initiative. Moreover emphasis is given to the role of the market and guidance by the government. In this context, countries that are linked to the Belt and Road Initiative directly will have their own tailored policy, which will obviously make the policies indigenous, relevant to objective realities, and feasible.

Openness is given the highest priority. The Belt and Road Initiative is open to all countries, economies, international organizations, regional cooperation mechanisms, and civil society organizations.

Inclusiveness is the other priority. The initiative envisages no unified rules. Rather, countries can adopt diversified multi-sector and multi-level cooperation approaches to expand trade and promote common development.

Another fundamental driving factor in advancing the initiative is mutual benefit. There is a recognition that the success of any regional or global cooperation hinges on the mutual benefit that it drives for those participating. Accordingly, all parties will complement each other, share benefits and develop side by side, and avoid engaging in 'beggar-thy-neighbor' mercantilism under the cover of open and free trade. This will lead to win-win situations: another indicator of the success of the initiative.

3) Solutions for internally driven challenges have resulted in a worldwide paradigm shift

From the outset, it should be recognized that the Belt and Road initiative emerged from the Chinese leadership's understanding of the shoddy outlook for world economic growth and development, its impact on Chinese economic development, and the determination to face the challenge head-on. Thus the need to envision a framework that would address the challenges of the economic decline by changing them, transforming them into an opportunity. China's leaders needed to imagine a mechanism to ensure that China's development and growth would be sustainable.

This demanded adjustments to certain developments in the country, with

implications worldwide. Mechanisms were created to deploy China's excess capacity, and these developed over time with the unprecedented expansion of the world economy. More opportunities were created by shifting the economic machinery, first from southeastern regions towards northwestern regions within China, and then expanding into central Asia and central Europe and further, to other areas taking a huge leap towards transformation. So the process is an internally driven initiative in response to the challenges of an international economic slowdown and its impact on China's growth and development. Therefore it seeks to address the challenges through an initiative primarily to address internal challenges but with consequences that will bring a paradigm shift to tackle the bigger challenges of poverty and underdevelopment worldwide.

Chinese leaders have learned from the country's history and are striving to use past experience in their efforts to make another attempt at a great leap forward in the Belt and Road Initiative that emanates from this singular historical context. The Chinese leadership has taken on the challenges of worldwide economic development and is attempting to translate the problems into an opportunity—and they are determined that this opportunity for peace and development will be fulfilled

in a way that is *neither colonial nor hegemonic*, but rather a win-win framework based on openness, inclusivity and mutual benefit.

The initiative will involve Chinese infrastructure development efforts in Asia, Europe and Africa as part of the grand vision, which will allow China in collaboration with the states involved to play the greatest role in the global economy, with the prime objective of addressing emerging challenges, which will eventually create a commonly owned joint endeavor within which China's leadership position in the world will be assured.

The outcome of this initiative is clearly meant to sustain China's continuous growth and development, with the provision of incentives to other areas so that excess capacities in China can be used elsewhere to revamp the economy and compensate for the economic growth shortfalls worldwide.

In his book *The Governance of China*, President Xi Jinping has reiterated the importance of the Belt and Road Initiative, emphasizing the need "to forge closer economic ties, deepen cooperation and expand development space" and "take an innovative approach and jointly build an economic belt along the Silk Road. This will be a great undertaking benefiting the people of all countries along the route."

Globally, the initiative involves, for example, the Pakistan Korakoram Highway Project linking China and Pakistan, the Hungary-Serbia railway, the Jakarta-Bandung high-speed rail in Indonesia, the Pan-Asia railway network including the China-Laos and China-Thailand railways, and the recently finalized China-EU railway line (going straight through to London). The various economic routes, including the China-Pakistan, China-Mongolia-Russia and Bangladesh-China-India-Myanmar corridors, can also be viewed as illustrations of these efforts.

Moreover, as mentioned above, China has explicitly invited the US to join in, and South American countries have been included as well, as the initiative provides an extended opportunity for international cooperation and boosts interconnection between Asia and the rest of the world, in effect contributing to worldwide development, prosperity and stability.

China has formulated its economic vision, complete with a set of principles accommodative of what it perceives will promote a win-win situation for all involved parties. As a relatively new global powerhouse, with newfound vigor directed at securing a position of importance in the international arena, China is likely to formulate new approaches, sidelining all that others before it have tried. But others with

analogous intent have produced sets of principles in similar bids to promote their immediate national interests. Therefore, the real point to be emphasized here is how potential and imagined partners-in-cooperation may integrate the proposal in such a way as to fit their own developmental agendas. The extent of their receptiveness and their efforts to secure a competitive advantage heavily rely on appreciation and implementation of what is best for those at the recipient end of this Chinese initiative.

4) The investment opportunity of the initiative

Altogether, China has planned to inject a total of \$8 trillion USD into this initiative; out of this lump sum \$40 billion was allocated to the Silk Road Fund in December 2014. Huge infrastructure projects in Asia, Europe and Africa are expected to benefit. Countries and international organizations are expressing their readiness to join the initiative, with some already signing deals with China to participate in the Belt and Road Initiative.

5) Africa in the Belt and Road Initiative

The lower-level implementers of the initiative are still thinking that the Belt and Road Initiative is a sixty-four plus one project, although the country's

leaders are encouraging bigger powers including the US to participate in the initiative and benefit through it. Obviously, the initiative is special; nothing of its kinds has ever been witnessed in the world in our times.

It is something of a disappointment that Africa's role in the initiative has yet to be explicitly outlined. But since the initiative does not deny any country the opportunity to participate, and allows countries to come up with specific policies and their own strategies, it is up to African governments and leaders to devise specific plans and projects that fit into the broader scheme. At some point, contradictions may be identified when the bureaucracy determines what the initiative means for Africa and the role it may play therein. Some suggest that Africa would be better off if the continent concentrated on the next China-Africa Forum and the ten projects identified in the last China-Africa Forum hosted in South Africa.

On the other hand, some of the initiative's documents suggest ideas for upgrading the China-Africa Cooperation Forum from the perspective of the Belt and Road Initiative. In this regard, there is no question that parts of Africa, which the initiative passes through, stand to benefit tremendously from its realization. The documents indicate that Egypt is the bridgehead of the cooperation between China and Africa.

Egypt's geo-strategic position straddling Europe, Africa and Asia may well be the reason for its identification.

Taking into consideration the traditional role Egypt has played in global trade, its selection is not without merit. But Egypt's infrastructural connection with sub-Saharan Africa is negligible. The umbilical cord that connects Egypt with the Greater Horn of Africa is the Nile, and its utilization is being framed through the Comprehensive Framework Agreement (CFA) for the Nile waters, which Egypt contests. Egypt is a lightweight in African politics compared to other North African countries. And it is equally imperative to understand the political sensitivities surrounding Egypt's overall role in the peace and stability of the Greater Horn of African countries. If the Belt and Road Initiative is to succeed in mainland Africa, more appropriate gateways should be identified. Egypt's historic problems with sub-Saharan Africa, and the apparent lack of any economic linkages in this connection, effectively deter any initiative that considers this route. Rather, alternative routes of engagement could be envisaged that would facilitate easy access to more resource rich parts of the continent.

Caution should be taken and hence alternatives put in place to ensure that the Belt and Road Initiative succeeds in its objectives and their realization. Africa

has born a whole set of externally driven initiatives, with little or no understanding or preparedness to analyze or internalize their real implications for the interests of the continent, bilaterally or multilaterally. In this regard, past experiences, bad and good, should be carefully assessed while moving ahead with what is the seemingly perfect opportunity the Chinese initiative provides. The initiative emphasizes reform. To what extent is Africa ready for reform? One should not expect China's leaders to come up with a plan for everybody, including Africa. The initiative outlines the major principles and the initiative's intentions—through guiding principles that allow states to participate equally and fairly. On the basis of those principles African leaders have to envision the role for the people and governments of African states in the initiative and work towards ensuring that Africa secures its fair share through principled participation and constructive engagement. African states should look at opportunities together and face the challenges together. That is how Africa will have its fair share in participation, contribution and benefits.

If each country is approached on an individual basis, and hence engages looking at its country-based interest, then Africa stands to lose. Bilateral understandings with China alone cannot

amount to what the Belt and Road Initiative proposes. If the continent wants to remain at the receiving end of any massive investment (if this really happens in the first place), wielding only its natural resources, then there is no guarantee that Africa will get its fair share. Frankly speaking, China can acquire the resources that Africa offers through other bilateral arrangements, and further enhancement of the Africa-China Forum would suffice for the purpose of advancing short and medium-term cooperation agendas. The only way that Africa can take the opportunities offered and use them to extricate its people from the poverty quagmire is through farsightedness and strategic thinking from the African leadership. Regional and continental integration agendas could be projected into the tenets of the Belt and Road Initiative, with a full-fledged objective of promoting competitive advantages in the arrangement of Africa-China cooperation. Visionary leadership is required to overstep the bounds of immediate national objectives, political or financial, and set the bar high in relation to long-term gains for the people of Africa collectively. African leaders, in this regard, need to cast away the notion of exclusivity, as well as unnecessary competition, and work towards forging a united front accommodative of the interests of regional and continental advantages.

The Belt and Road Initiative should be approached in the totality of what it offers to the continent. If African leaders attending this week's Belt and Road Forum for International Cooperation bring a united vision to the Beijing event and beyond, then both China and Africa will emerge as primary beneficiaries, for both needed each other more than any other partner in the initiative. If not, it will be remembered as another missed opportunity for Africa, and another variation in the same old game in the global competition for supremacy.

Hence the approach should be based on the possibility of realizing the initiative's objectives. In parallel, China must not shy away from aggressive engagement with Africa, viewing Africa as a source of markets, raw materials and investment opportunities, whose role may be readjusted depending on the priorities envisaged by its leaders. Some of China's officials would like to concentrate on the China-Africa Cooperation Forum and leave the role of Africa in the Belt and Road Initiative opaque; perhaps they fear being suspected of imperial ambitions.

Although the Belt and Road Initiative passes through Egypt, the Red Sea and the Gulf of Aden, the route necessarily touches ports in East African regions. Accordingly, there are other possible corridors towards the heart of Africa,

natural approaches that do not require Egypt as an entry point in this regard.

One way of thinking about the realization of the initiative in this connection would be for the countries in eastern parts of the African continent to come together and chart out a common approach. Physically, the countries are relatively well-placed and could develop corridors of economic zones that would automatically connect with the initiative, even if the initiative has yet to identify these corridors as part of the Road and Belt Initiative. This will not only ensure the sustainability of the initiative and the role of the countries in the region, but also allows indigenous initiatives to play a lead role. The three corridors that will connect the Greater Eastern Africa region with the Road and Belt Initiative could be executed with advance planning. These obvious connections could help to cleverly imagine and begin creating the pillars of these corridors.

One such corridor would begin with the railway projects already underway from Mombasa passing through the Kenyan territories and extending towards Uganda, Rwanda, Burundi and the Central African Republic, eventually incorporating South Sudan. The Ethiopia-Djibouti corridor is already designed to facilitate better linkage with major ports in the region, and the Road and Belt Initiative could supply additional investment for road

construction, supplementing the economic interdependence of involved countries. If China could encourage the leaders of Ethiopia and Eritrea to sort out the differences between them, the Assab corridor could be an ideal framework connecting Eritrea, Ethiopia and the Sudan. States in the Greater Horn of Africa have already laid the groundwork for lasting economic integration, with far-reaching strategic designs accommodative of the developmental agendas of the region, as well as the continent. These initiatives could easily be integrated into the Road and Belt Initiative. The actual value of this collaboration lies not only in the immediate economic returns it will provide to all parties, but more importantly in its potential as a feasible gateway to the hinterlands of Africa. Past developments have amply proven the fact that the Horn of Africa sub-region is the easiest access route to Eastern, Central and Southeastern parts of the continent.

In Ethiopia, for example, Chinese companies like CCECC are already undertaking gigantic infrastructure projects like the Djibouti-Addis Ababa Railway Project, which will expand to different Ethiopian cities and towns as well as connect neighboring countries. Even if there were some problems related to connectivity inside the port, it has been reported that both countries

have recognized the need to connect the rail to the final destination inside the port so that cargo can be loaded to and from the ships directly.

The Mombasa Railway is being planned and executed to go as far as the heart of Africa's Great Lakes Region. This will create an enormous opportunity for development and access huge tracts of resources for industrial transformation. In this connection, ensuring all these fit into the strategic Belt and Road Initiative would be critical. Leaders of these countries should develop the necessary vision to match the task.

One should also consider benefits associated with the Chinese investment in terms of knowledge and technology transfer they provide to the continent. Of course, African governments need to strategize and to strengthen their capabilities in order to expedite these opportunities so as to transform their economies as well as the living conditions of their people.

Ethiopia, including the Horn of Africa sub-region, would also benefit immensely from the initiative. The Djibouti-Addis Ababa Railway project is expected to transform the economy both in Ethiopia and Djibouti. With minor adjustments, it could develop into an economic corridor integrating the entire sub-region. But, of course, governments in the sub-region need to

formulate projects in areas other than transportation. They can think of grand schemes in connection with tourism, cross-country trade, industry and technology. A vision for further integration and mutual benefit will go a long way in terms of integrating the efforts with the Belt and Road Initiative as well.

As President Xi Jinping indicated, there is a need for policy consultation, whereby development strategies are critically discussed and then countries can “adopt plans and measures for advancing regional cooperation through consultation in the spirit of seeking common ground while setting aside differences, and give the policy and legal ‘green light’ to regional economic integration.” As can be seen from the map depicted on the first page, Africa is on the fringes of this strategic initiative.

Hence, there is a need to understand where Africa fits into this gigantic plan and identify expectations from Africa to benefit optimally from the initiative. China is conscious of expectations from others who want to participate in the initiative and is well aware of what it can offer. But on the African side there is a lot to be done. To start the ball rolling, there is a need for the creation of a narrative with an African perspective about the entire initiative, so that it will be advocated, owned and implemented accordingly by Africans.

The Belt and Road Initiative is the best opportunity that has been outlined and presented to address the challenges of sluggish world economic development to date. UN Secretary-General Antonio Guterres has said that the initiative can be a “very important instrument” to meet the Sustainable Development Goals of the UN 2030 Agenda for Sustainable Development, noting that the objectives of both “move in the same direction,” particularly with regard to investments in infrastructure to facilitate the connection of people, trade and development. This opportunity could be better harnessed if the vision were shared among the countries that the initiative will incorporate. Grand visions such as this will go a long way in their realization, since the principles embedded within the initiative are genuine and enduring—and uphold the five Principles of Peaceful Coexistence: mutual respect for each other’s sovereignty and territorial integrity, mutual nonaggression, mutual noninterference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence. These are principles embedded in the United Nations Charter as well.

But these principles can only have meaning and be implemented and realized if they are accepted at heart, and if mechanisms to address common challenges are crafted in a consultative environment. There will be a perception of this initiative as imperial domination,

but those views will remain just views if the people involved in the implementation are properly consulted and an appropriate mechanism to address obstacles is put in place. This demands the full participation of the people of Africa, even if step-by-step. The initiative should be understood as an opportunity for the people of Africa to benefit and eradicate the scourge of poverty. Opportunities such as the Belt and Road Initiative at such a grand scale rarely come, but when they do they should be grabbed and harnessed and put to use.

Going into the May Belt and Road forum in Beijing, African leaders are expected to present a united front in their bid to effectively utilize the advantages the Belt and Road Initiative provides them. Bilateral engagements should give way to multi-faceted and collaborative approaches that take into consideration the collective interests of the people of the continent. The arduous task of convincing China to take practical steps to extend portions of the initiative into mainland Africa requires careful assessment of all the options, crafting an ambitious strategic plan of action and persuading China of the economic returns of its investments. Africans need to actually sell the notion that the continent is rising, that Africa harbors real potential for economic transformation on a grand scale, and

that more than any other place on the planet, the future lies with Africa. This should be genuine. China already has the necessary experience in Africa through the China-Africa Cooperation Forum. And China also has to bear the responsibility of helping African governments get beyond the current impasse. The China-Africa Forum provides one outlet through the implementation of the ten or so huge projects identified in this regard. But given the actual transformational capabilities of the Belt and Road Initiative for the global economy, Africa should engage in full force through the transformation of the China-Africa Cooperation Forum. China should seriously consider mechanisms to incorporate sub-Saharan Africa into the grand design, and push African leaders for more constructive engagement in this regard. Rhetoric aside, both Africa and China need each other, and this should be established in their economic interactions.

Following this week's forum, participants and readers should look out for the Cooperation Objectives and Measures that will track the event and the implementation of those decisions. CDRC anticipates that these objectives will direct attention towards developing countries where bottlenecks are blocking effective connections. Moreover, one also might expect that

concrete measures will be specified, highlighting proposed actions to be taken, such as maximizing synergies in infrastructure planning and development and fostering favorable environments and predictability for infrastructure investment; deepening and expanding economic and trade cooperation as well as cross-border economic zones; and promoting resilience, risk reduction and management in the face of global climate change. The Summit is also expected to set out guiding principles to finance the development of the Belt and Road initiative, as China is looking to build a long-term, stable, sustainable

financial system. CRDC hopes that these guidelines will encourage the appropriate channeling of financial resources for infrastructure connectivity in support of sustainable economic and social development. As indicated by the spokesperson of China's Foreign Ministry, the Belt and Road Initiative is not a one-man show. It belongs to all and it is meant for all. Corresponding to the broader objectives of the wider initiative, ensuring that Africa benefits as much as the rest of the world will be critical, and Africans should join hands in the realization of this initiative.