

# THE BRI IS BAD, BUT IT HAS NO WORTHY COMPETITOR

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According to documents seen by the Hindustan Times, a ministry of external affairs (MEA) study has found that the Belt and Road Initiative (BRI), China's flagship connectivity programme, is facing headwinds in the entire region. The story of Sri Lanka is now well known globally. The island country has become an exemplar of all that is wrong with the BRI. The former President Mahinda Rajapaksa moved close to the establishment in Beijing and obtained loans for massive infrastructure projects in the country. The projects never earned enough returns to enable Colombo to pay back the loans. In the end, the Hambantota port had to be handed over to Chinese firms on a 99-year lease. And India and Sri Lanka have agreed to jointly operate the Hambantota airport, which has earned the dubious title of "the world's emptiest airport".

But Sri Lanka's isn't the only story, as the MEA study points out. A Chinese firm is facing corruption charges in Bangladesh; there is local backlash against Kyaukphyu-Kunming gas pipeline in Myanmar; and a Chinese hydropower project was scrapped even in Nepal. A number of projects under the China-Pakistan Economic Corridor (CPEC), a part of BRI, too have come under the scanner notwithstanding close political ties between Pakistan and China. The problem stems from the design of the programme. The capital is directed into projects from which the leader of the country which is taking the loan can reap political rewards. For example, Hambantota is the political base of Mr Rajapaksa. The loans are linked to source materials being imported from China itself. A large number of workers, too, are Chinese. The local economy benefits little. In addition, there are concerns around transparency and environmental sustainability.

New Delhi did well to not join the BRI bandwagon despite a number of commentators warning that India would be isolated. In fact, a number of other countries, including the US, Japan and Australia, have gradually come around to accept that position. India and Japan are coordinating on their own programme — the Asia-Africa Growth Corridor. The US, Australia and Japan have announced an alternative to BRI as well. But the actual amounts behind these initiatives pale in comparison to the \$900 billion BRI. Talk is cheap, it is time to put more money behind these ideas.

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