

China in Eurasia: Revisiting BRI amidst the Russia-Ukraine Crisis

Anu Sharma and Pooja Bhatt

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Contents

Executive Summary	9
Introduction	7
China's Belt and Road Initiative: An Overview	10
Eurasia and its Geopolitical Significance	13
China's Eurasian Dream	17
Impact of COVID-19 on China's BRI Plans in Eurasia	22
Impact of Russia-Ukraine Crisis on China's Eurasian Endeavors	24
Concerns Related to Beijing's Eurasia Plans	26
Conclusion	31

Executive Summary

- Connectivity and creating strategic linkages became a vital part of China's New Eurasian Land Bridge (NLEB), a key component of its Belt and Road Initiative (BRI). The land connectivity options initiated as part of NLEB have cited advantages for China, Russia, and the larger European region.
- The idea of Chinese trains traversing through Eurasia in order to bring Chinese goods to Eurasian consumers had been strongly promoted by Beijing as part of its BRI strategy. Further, increased connectivity and logistical options for Eurasia and China is being viewed as a win-win.
- The COVID-19 pandemic forced the world to accept the new normal with nations revising their domestic and global aspirations consequently. In terms of the pandemic, China's plans also faced an economic slowdown, with a certain level of decline owing to slump in global demand. This led Beijing to reconfigure ways and means to sustain its BRI linkages with the Eurasian region as well.
- The situation was slowly resuming normalcy but the Russian invasion of Ukraine and the sanctions imposed by the West forced China to again change course in its foreign and regional politics in order to search for alternatives for the realization of its BRI plans.
- While the 'middle corridor' is experiencing a boom because of this ongoing conflict between Russia and Ukraine, the future viability of this route is far from guaranteed. Major concerns regarding this route stem from the heightened costs and complicated logistics. This is despite the fact that the critical infrastructure is in place, some of which is the result of BRI projects; however, the play of geography of this middle corridor makes it more complex.

- Chinese policymakers are heralding BRI as a fluid mechanism which is adjusting to new and emerging geopolitical challenges and adapting fast to new changes. Through this study, an attempt has been made to decipher the changing course of Chinese policymaking for the BRI in the aftermath of the pandemic, economic stagnation, geopolitical alignments, and more recently the Russia-Ukraine conflict. The success of these adaptations and manifestations by Beijing remains to be seen.

Introduction

This paper discusses China's trade and connectivity plans under the Belt and Road Initiative (BRI) in the Eurasian region and the impact of the Russian invasion of Ukraine on Chinese plans. The world order is once again in flux with the rather unpredictable geopolitical moves of Russia, Europe, the U.S., and the rest of the world, leading to a dynamic set-up for nations to evolve their foreign and regional political choices. Most significant of this has been the Russian invasion of Ukraine which has profoundly reconfigured global geoeconomics. Geo-economics is the intersection of the global economy and geography that impacts the world in more than one way. One of the examples of this is also the infrastructure-based connectivity initiatives including China's BRI. The economic impact of the Russia-Ukraine crisis is making analysts question the stability of BRI.

However, it seems that China has emerged as the major gainer from this crisis. This crisis has led Beijing to aim and move fast with infrastructure projects in Central and West Asia, which were delayed because of the Kremlin's reluctance. Resultant of this crisis, Poland has emerged as the end point of most of the train routes connecting China to Europe along the New Eurasian Land Bridge (NELB). This railway corridor that traverses through Eurasia—passing through Kazakhstan, Russia, and Belarus—has become an important branch of BRI. This idea of Chinese trains traversing through Eurasia in order to bring Chinese goods to European consumers has been intensely promoted by Beijing. However, as almost half of these routes pass through Russia, there is the probability of the projects being massively impacted by European sanctions following the Russian invasion of Ukraine.

Over the past three decades, China has become a major trading partner

and investor in several Eurasian nations including Belarus, Moldova, and Ukraine. The Eurasian region plays a significant role in the larger strategic thinking of Beijing with the NLEB being promoted as an alternative access route to Western Europe. However, first the COVID-19 pandemic and then the subsequent Russian invasion of Ukraine is rattling the Chinese plans and prospects in the Eurasian region. With the Western sanctions on Russia and Europe's distancing from Russia, it is complicating China's long-term interests in the Eurasian region. The war is also resulting in geopolitical shifts and highlighting faultlines with the West on the one hand, and China and Russia on the other. In this context, this paper tries to decipher and assess China's BRI plans in the Eurasian region through the prism of Russia's Ukraine conflict and its impact on China's presence in Eurasia. The new emerging geopolitical situation makes this study topical and necessary to assess the course of Chinese policymaking vis-à-vis Russia and Eurasia.

The BRI, in both land and maritime domains, conceives to connect China with the European market through vast infrastructure projects in the adjacent Western and Central Asian regions. Through BRI's connectivity and development projects, Beijing aims to collectively account for more than 30 percent of global GDP, along with approximately 62 percent of the population, and almost 75 percent of known energy reserves.¹ The BRI connects majorly with Europe through land-based infrastructure projects that enable trade to move from large-scale industrial townships located in the East of China such as Xi'an to Western Europe traversing the Eurasian region. More recently in 2021, the number of freight trips from China to Europe reached almost 14,000. With this number rising steeply during the pandemic, it also led to an increase in the value of goods that were transported through these freight trains i.e., from

1 Michael Baltensperger and Uri Dadush, "The Belt and Road turns five," Bruegel, January 1, 2019, <https://www.jstor.org/stable/pdf/resrep28494.pdf?refreqid=excelsior%3Aa7c0851f2052f11aa20c218a22e37b2a>; "Belt and Road Initiative," World Bank, March 29, 2018, <https://www.worldbank.org/en/topic/regional-integration/brief/belt-and-road-initiative> (accessed March 27, 2021).

US\$8 billion in 2016 to US\$50 billion in 2020 and US\$74.9 billion in 2021.² There is no denying the fact that the Eurasian region is directly influenced and affected by the BRI with the aim of being the end-destination of Chinese connectivity projects and a major receiver of BRI investments.

2 Andreea Brinza, "Putin's War has Killed China's Eurasian Railway Dreams," Foreign Policy, March 1, 2022, <https://foreignpolicy.com/2022/03/01/belt-road-initiative-new-urasian-land-bridge-china-russia-poland/> (accessed September 23, 2022).

China's Belt and Road Initiative: An Overview

Chinese President Xi Jinping's continuous mention that BRI derives its significance from the ancient Silk Road. Initially conceived as 'One Belt, One Road (OBOR)' in 2013, BRI drew considerable attention of the U.S., Russia and European nations with apprehensions related to increased Chinese assertiveness in global politics. For sure, BRI remains a significant dynamic that defines the present-day role of China in global politics, with the ability to shift international order due to its geopolitical and geo-economic aspects. International discussions and discourses are inundated by Chinese ascendancy as a major actor through BRI which are also related to various factors contributing to this change. The main strategic (implied) benefits of BRI include strengthening regional stability and connectivity, improving China's energy security, and increasing Chinese connectivity and influence globally. There are *six* corridors that form part of the BRI: China-Mongolia-Russia Economic Corridor; New Eurasian Land Bridge; China-Central Asia-West Asia Economic Corridor; China-Indochina Peninsula Economic Corridor; China-Pakistan Economic Corridor; and, Bangladesh-China-India-Myanmar Economic Corridor.

In the modern age, railway freight occupies a strategic niche. Keeping this in mind as well as with the strategic aim to enhance Sino-European connectivity, the New Eurasia Land Bridge or NELB was envisaged as a corridor of BRI. Also known as the "second" bridge, the NELB is supplemented by major transportation routes like the China-Europe Railway Express, from China's coastal cities of Lianyungang and Rizhao to Rotterdam in the Netherlands and Belgium's Antwerp, passing through Kazakhstan, Russia, Belarus, Poland, and Germany. Further, a plethora of European and Chinese traders seeking an alternative means to maritime and air freight transport looked at this new corridor as a new and cheaper alternative for trading of goods. In terms of time saving, the routes in

this corridor are comparatively twice as fast as maritime transport and cheaper than air transport, making it an ideal compromise. It traverses through China via Kazakhstan, Russia, and Belarus, before entering the European Union.

BRI's Eurasian land bridge will help in achieving a more stable and secure environment around China's southern and western frontiers. Another aspect of this corridor is related to diversifying oil and natural gas supply chains through various transportation and pipeline networks. Beijing also aims to facilitate interactions between China and the broader Eurasian region through these land and maritime connectivity links as part of its signature foreign policy venture.

One of the unsaid aims of BRI is to facilitate economic development and connectivity which can further help in stabilizing China's western periphery.³ Xinjiang, in China's western region is troubled by rebel Uyghurs who have Turkic ethnic roots and cultural links with Central Asia. They have become somewhat difficult to manage for the Chinese government. Apart from this, the lack of development and growth in this region is also considered to be a reason for the various security issues concerning Beijing. As China links development with security, it visualizes that if its western provinces are developed, it will reduce the rising discontent in that region. In order to overcome these challenges, China aims for cautious and diplomatic balancing, a stronger ability for risk identification and assessment, and new capabilities to safeguard its trade routes to keep its economic mobilization and industrial expansion. So, in order to widen its horizons, Beijing has been striving to enter the European markets and develop pipelines along with land and maritime routes for augmenting its trade with the nations along the Eurasian land bridge corridor.

3 "The Belt and Road Initiative in the global trade, investment and finance landscape," OECD Business and Finance Outlook 2018, OECD Publishing, Paris, <https://www.oecd.org/finance/Chinas-Belt-and-Road-Initiative-in-the-global-trade-investment-and-finance-landscape.pdf> (accessed December 10, 2021).

In view of that, China's New Eurasian Land Bridge becomes quite pivotal as it establishes a link between the Atlantic and the Pacific. It connects more than 30 countries and three significant regions namely Central Asia, Europe, and Russia.⁴ In the framework of BRI and Chinese planning, Horgos has become an essential hub on the NELB. Horgos pass is located in northwest China's Xinjiang Uygur Autonomous Region and plays a crucial role in China's connectivity plans related to Eurasia.⁵ The next section details the geopolitical significance of the Eurasian region and Chinese designs pertaining to the NELB.

4 "28 years on, China-Europe land bridge forging stronger ties," Xinhua, February 8, 2021, http://www.xinhuanet.com/english/2021-02/08/c_139730532.htm; Ying (ed.), "Backgrounder: Economic corridors under Belt and Road Initiative," Xinhua, May 9, 2017, http://www.xinhuanet.com/english/2017-05/09/c_136268314.htm; "Northwest China's Horgos pass sees more cross-border freight trains," Xinhua, September 26, 2019, http://www.xinhuanet.com/english/2019-09/26/c_138425658.htm (accessed March 2, 2021).

5 "Northwest China's Horgos pass sees more cross-border freight trains," Xinhua, September 26, 2019, http://www.xinhuanet.com/english/2019-09/26/c_138425658.htm (accessed March 2, 2021).

Eurasia and its Geopolitical Significance

The geographical term 'Eurasia' was first coined in the later part of the 19th century. It mainly defined the supercontinent encompassing both Europe and Asia—which were considered two separate continents till the end of the 19th century. Geographically, Eurasia is the world's most expansive region. It connects the East to the West, forming a land bridge that borders Europe, the Asia-Pacific, West Asia, and South Asia. Various mountain ranges border this massive region including the Carpathian Mountains, the Southern Caucasus Mountains and the Tien Shan Mountains, etc. The lack of clear boundaries defining this vast region further complicates the dilemma related to the definitional discourse on the periphery of the Eurasian region.

Therefore, Eurasia can be described as an unspecified designation of place. Moreover, it is difficult to list which nations form or do not form part of this strategic region. Still, it cannot be ignored that since the 19th century, this region has gained geopolitical and geostrategic significance in global politics.⁶ Contemporarily, there have been significant geopolitical changes leading the Eurasian region to be considered "...a geopolitical counterbalance against the Western influence in global politics."⁷ Russia's equivalence with other major powers, as well as the balance of power equation between Russia, China, and the U.S., is often visualized as a significant factor that can affect multilateral cooperation in the Eurasian

6 Abbott Gleason, "Eurasia: What is it? Is it?" *Journal of Eurasian Studies* 1, no. 1 (January 2010): 26-32, <https://www.sciencedirect.com/science/article/pii/S1879366509000037> (accessed April 12, 2021).

7 Emre Erşen, "Rise of the New Centres of Power in Eurasia: Implications for Turkish Foreign Policy," *Journal Eurasian Studies* 5, no. 2 (July 2014): <https://www.sciencedirect.com/science/article/pii/S1879366514000049#bib35> (accessed April 12, 2021).

region.⁸ So, this concept of Eurasia gained more traction in the discussions related to geopolitics in the past few years. After the disintegration of the Soviet Union in the 1990s, the emerging nations were a bit distant from the European identity, both politically and geographically, and therefore, maintain a distinct identity. So, in order to categorize these nations on the basis of their identity and groupings, the term Eurasia has become somewhat all-encompassing. In fact, the region has often been referred to as the ‘prisoner of geography’⁹ cited as it is located between powerful neighbors. In such a scenario, the role of geopolitics becomes more pronounced, affecting the region’s economic dependence on these powerful neighboring nations.¹⁰

Notwithstanding the geographical vastness, the region has been endowed with regionalization owing to the vantage points of the stakeholders. The significance of this region is explained through the views and perceptions of great thinkers such as Halford Mackinder, Nicholas J. Spykman, and Hans Morgenthau. All of these thinkers place Eurasia at the pivot of the geographical expansion of world politics.¹¹ In fact, many of these thinkers

8 Ibid.; Nadezhda Arbatova, “Three Faces of Russia’s Neo-Eurasianism,” *Survival: Global Politics and Strategy*, November 2019, <https://www.iiss.org/publications/survival/2019/survival-global-politics-and-strategy-december-2019january-2020/616-02-arbatova> (accessed April 12, 2021).

9 Ricardo Hausmann, “Prisoners of Geography,” *Foreign Policy*, November 20, 2009, <https://foreignpolicy.com/2009/11/20/prisoners-of-geography/> (accessed October 19, 2022).

10 Ahmet Evin and Megan Gisclon, “The Role of Eurasia in Multipolar World Order,” Istanbul Policy Centre, March 2019, <https://ipc.sabanciuniv.edu/Content/Images/Document/the-role-of-eurasia-in-a-multi-polar-world-501deb/the-role-of-eurasia-in-a-multi-polar-world-501deb.pdf> (accessed March 20, 2021).

11 Both Mackinder and Spykman had diverse ideas related to geopolitics. Mackinder believed that there exists a pattern of conflict between sea power and heartland in history. However, Spykman believed that are two patterns between sea power and heartland i.e., an independent center of power in the rimland, and both the sea power and heartland were allied against it. Lucian M. Ashworth, “Realism and the Spirit of 1919: Halford Mackinder, Geopolitics and the Reality of the League of Nations,” *European Journal of International Relations* 17, no. 2 (June 2011): 279-301, <https://journals.sagepub.com/doi/10.1177/1354066110363501> (accessed December 11, 2021).

had already projected that Eurasia will continue to be crucially influenced by its relations with the East, particularly with Russia.¹² With geography playing a central role in global politics, scholars from around the world have reinforced their attention to the ideas of Zbigniew Brzezinski's "Grand Chessboard" or Halford Mackinder's "Heartland Theory." For Brzezinski, "Eurasia has emerged as the world's axial supercontinent"¹³ while endorsing Halford Mackinder's Heartland theory which discusses that the nation that will rule Eurasia will exert substantial influence over Western Europe and East Asia. Similarly, another prevalent notion is that the nation that will play a central role in Eurasia would control the Middle Eastern region and the African continent.¹⁴ At present, there are nations and organizations that are vying for building connectivity within this geographically challenging region. China's expanding footprint in this region through its BRI plays a substantial role in Eurasian geopolitics, more significantly following the Russia-Ukraine crisis. Needless to say, Beijing aims to connect with the broader Eurasian region for economic and strategic purposes.¹⁵

However, the definitional dearth to discuss the peripheral limitations of the Eurasian region has led various regional and international organizations to address this region. Scholars and academicians often visualize and analyze the events of this region through a transatlantic lens, whereas scholars from Russia often look through the Soviet/Russian lens.

12 Ibid; Elena Korosteleva and Zachary Paikin, "Russia between East and West, and the Future of Eurasian Order," *International Politics*, July 14, 2020, <https://link.springer.com/article/10.1057/s41311-020-00261-5#citeas> (accessed March 23, 2021).

13 Zbigniew Brzezinski, "A Geostrategy for Eurasia," *Foreign Affairs*, September/October 1997, <https://www.foreignaffairs.com/articles/asia/1997-09-01/geostrategy-eurasia> (accessed March 6, 2021).

14 Golam Mostafa, "The Concept of 'Eurasia': Kazakhstan's Eurasian Policy and its Implications," *Journal of Eurasian Studies* 4, no. 2 (July 2013): 160-170, <https://www.sciencedirect.com/science/article/pii/S187936651300016X> (accessed December 12, 2021).

15 Ibid.

The beginning of the Cold War led to a change in priorities, which was significantly defined by the pursuit of a containment policy against the emergence of communism in the world order. The NATO illustrated *Atlanticist* perspective¹⁶ focused on countering the Soviet threat to Western Europe and the Warsaw Pact countries. However, the nations beyond the then-Soviet Union and later beyond the boundaries of Russia remained distant, impenetrable, and mostly unfamiliar. Still, after the disintegration of the Soviet Union, Russia remained one of the major adversaries to East Europe, leading to eventually preserving the Atlanticist perspective and preventing a clear vision of the lands beyond Russia.¹⁷

The locus of Eurasia remains Russia, whose historical quest to insulate itself from the interventions of outside powers is related to extending its influence on Eurasia's farthest extents. However, shifts in major power strategies over time became a factor for conflict emerging throughout Russia's borderlands, eventually placing Eurasia in a state of instability. Eurasia has long been a versatile region—promising, yet challenging. Powerful players such as Russia, Turkey, and China have traditionally intermingled with the nations of the Caucasus, Central Asia, and Southeast Asia forging a political and economic landscape. These approaches are not only affected by the geopolitics of the past years but also to persistent geopolitical antagonisms.¹⁸ Still, it can be said that the emerging transit routes as well as energy and pipeline politics shape an intriguing amalgam in which both national and international developments act as the factors affecting this continuing great game in the region. So, it can be assessed that "Eurasia" refers to a "...compact territorial mega-unit of many states, which are characterized by intense geopolitical competition."¹⁹

16 The Atlanticist perspective refers to nations that are supporters of close military, political, and economic cooperation between Western Europe and the U.S.

17 Ahmet Evin and Megan Gisclon, n. 11.

18 Stylianos A. Sotiriou, *Political and International Relations in Eurasia*, (New York & London: Lexington Books, 2019).

19 Ahmet Evin and Megan Gisclon, n. 11.

China's Eurasian Dream

Chinese infrastructural linkages and logistical corridors under BRI resemble Mackinder's idea of geopolitics, however, the rationale of China's foreign policy is far more complex and embedded. BRI has emerged as an international cooperation strategy with potential geopolitical implications which aim at promoting economic and social linkages instead of geostrategic elements such as political and security cooperation. China is associated with several Eurasian nations under the umbrella of its BRI plans.²⁰ In some Eurasian regions where BRI projects are ongoing, China is striving to engage with regional organizations to enable enhanced and constructive engagement. In one such regional organization i.e., Cooperation between China and Central and Eastern European Countries (CEE), it was a "17+1" group.²¹ Established in 2012, the aim of this organization was to facilitate balanced development in Europe with Chinese support.²² However, there have been certain reservations related to this initiative with the European Commission labelling China as the "systemic rival and Lithuania dropping out in May 2021."²³ The current status of the CEE nations as a "16+1"

20 The nations which are partners with China under BRI are: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Latvia, Lithuania, Former Yugoslav Republic of Macedonia, Moldova, Montenegro, Poland, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Turkey, and Ukraine.

21 16+1 Forum refers to an annual meeting of the heads of government of 16 nations and the Chinese premier to further cooperation between China and Central and Eastern European Countries (CEE) countries.

22 "Li Keqiang Puts Forward Four Initiatives on Promoting "16+1" Cooperation in Next Step," Ministry of Foreign Affairs of People's Republic of China, November 6, 2016, https://www.fmprc.gov.cn/mfa_eng/topics_665678/2016zt/lkqfwjwssthsksklttwyelsbcxx-lgihy/201611/t20161108_704336.html (accessed December 10, 2021).

23 "Brussels officially labels China a 'systemic rival'," New Europe, March 13, 2019, <https://www.neweurope.eu/article/brussels-officially-labels-china-a-systemic-rival/> (accessed December 12, 2021).

grouping does not too look promising and many are dissatisfied with the emerging consequences of their economic engagement with China.

The situation was very different in the beginning when the Chinese plans of BRI—then referred to as One Belt, One Road (OBOR)—were announced. At the time, the European media was leaning towards the Chinese narratives of possible economic opportunities; however, it is important to keep in mind that in this process Beijing downplayed the security aspect vis-à-vis China and the Eurasian region. This situation altered after 2017 when there was a decline in public perceptions of China's BRI plans due to the financial and political implications of the projects that the recipient countries were facing.²⁴ Despite this, as part of the NELB, Beijing has introduced several road and railways projects between China and Europe.

China is also planning several pipelines—some are already functional—via the Eurasian region culminating in China. There were several ongoing projects which China assimilated with the BRI later. One such example is the Eastern Siberia Pacific Ocean (ESPO) pipeline, which was agreed upon in October 2008. In this pipeline, it was proposed that over a period of 20 years, almost 300 million tons of crude oil would be supplied to China worth \$100 billion. Furthermore, Russia's Gazprom and the Chinese National Petroleum Company (CNPC) signed an agreement for the construction of the '*Sila Sibiri*' (Power of Siberia) pipeline. Through this pipeline, approximately 38 billion cubic meters (bcm) of natural gas would be supplied to China annually over a period of 30 years. This was to begin in the year 2018 with the project being worth \$400 billion.²⁵

24 Jeremy Garlick, "The Regional Impacts of China's Belt and Road Initiative," *Journal of Current Chinese Affairs*, December 3, 2020, <https://journals.sagepub.com/doi/full/10.1177/1868102620968848> (accessed March 21, 2021).

25 Davron Ishnazarov, "China's Development Objectives and Its Belt and Road Initiative in the OSCE Region," in A. Mihr A. (ed.) *Transformation and Development*, (Cham: Springer, 2020), 67-82, https://link.springer.com/chapter/10.1007/978-3-030-42775-7_5#citeas.

Additionally, the freight traffic along the approximate stretch of 12,000 km has increased rapidly with more than 2,000 direct trains running between China and Europe in the year 2017. This number is nearly three times higher in comparison to the figures of 2015. In fact, before the pandemic struck, Beijing had aimed to connect 35 Chinese cities with 12 European nations with a travel span of about 10-14 days.²⁶ China had also initiated plans to strengthen its long-distance railroad linkages to Europe with the objective of enhancing the on-land movement of goods. It can be said that this was a very ambitious initiative of Beijing, as sending goods to the larger Eurasian region meant passing through several nations and crossing a number of borders. At the same time, it is crucially reliant on having a smooth and well-linked rail passage via the Central Asian region. For example, one of the challenges is related to the transference of the train cargo coming from China at the international borders of Kazakhstan and Russia proficiently by shifting the containers to the waiting trains that transport the cargo to European trains. While these transferences are time-consuming, they are essential due to the difference in the railway gauges of China, the Central Asian nations, and Europe.²⁷ Since 2017, Chengdu—a province in China—has been sending freight trains to Tiburg in the Netherlands and Nuremberg in Germany. Furthermore, the cargo trains also reached the destinations of Moscow and Istanbul. This eventually led to an increase in the number of annually projected trains running from Chengdu to more than 1,000 in number.²⁸

26 Tom Miller, *China's Asian Dream: Empire Building Along the New Silk Road*, (London: Zed Books, 2017, 2019).

27 "Development of seamless rail-based intermodal transport services in Northeast and Central Asia," Report on Transport Facilitation procedures and documentation in Kazakhstan, UNESCAP, June 2016, https://www.unescap.org/sites/default/files/Seamless%20Transport%20report_Kazakhstan.pdf; Tristan Kenderline and Peter Bucsky, "Kazakhstan-China Border Delays as rail Freight Hedge Wobbles," *The Diplomat*, January 5, 2021, <https://thediplomat.com/2021/01/kazakhstan-china-border-delays-as-rail-freight-hedge-wobbles/> (accessed December 12, 2021).

28 Xiangming Chen and Fakhmiddin Fazilov, "Re-centering Central Asia: China's "New Great Game" in the old Eurasian Heartland," *Palgrave Communications* 4, no. 71 (2018):<https://doi.org/10.1057/s41599-018-0125-5> (accessed March 29, 2021).

A number of Central and East European nations have accepted BRI financing, with other Western European states such as Italy, Luxembourg, and Portugal signing provisional agreements to cooperate in several BRI projects. These nations are developing their trade and commercial association with China so as to hedge their options in competition to various Russian, European, and American firms. However, there is an emerging contradictory view too—with the example of France, wherein French President Emmanuel Macron has “urged prudence” while associating with various BRI projects.²⁹ This was suggested during his visit to China in 2018, where he also said that the roads cannot be one-way and that the BRI could make partner countries “vassal states.”³⁰

By extending its footprint to the extensive corners of Europe through the vast region of Central Asia, China is pushing analysts and policymakers to re-evaluate the relative facts of the Heartland theory versus the Rimland theory. Through this approach, Beijing tries to signify its own vision of the new “Great Game” happening in the Central Asian region. It is the lack of definitional clarity on the Eurasian region that has led some scholars to consider Central Asia as part of the Eurasian region considering that the Central Asian nations were part of the Soviet Union before disintegration. So, the geostrategic location of this region has enhanced its significance for Chinese BRI plans.

Within Central Asia, China’s BRI plans present a medium for development in these landlocked nations and in return benefitting from these nations in its connectivity plans as well as new markets for its finished goods and products. This in turn helps in equally enhancing China’s influence in the region. Moreover, Beijing’s promotion of its image and narrative of being an economic donor and developer of infrastructure projects helps in creating a more economy-focused role for itself through building roads and

29 Michael Rose, “China’s New ‘Silk Road’ cannot be One-Way, France’s Macron Says,” Reuters, January 8, 2018, <https://www.reuters.com/article/us-china-france-idUSKB-N1EX0FU> (accessed March 25, 2021).

30 Ibid.

trade connections rather than political networks. China's swift initiative to build infrastructure in some of the Central Asian nations that are not too willing for Western investments provides it with the necessary economic corridors and connections that are crucial for the success of its BRI strategy. Many Central Asia nations are keen about Chinese investments in various infrastructure projects under the BRI umbrella. They look at China as a great opportunity to settle this region's economic and infrastructure complications. At the domestic political level of the beneficiary countries, "the local actors are understood to be directing and exploiting Chinese investments for their own personal and political aims".³¹ This adds another dimension to the course of individual projects and the BRI in general.

Of course, the growing debate rests on the question of how the Central Asian nations can handle the increasing levels of debt to China. This is also one of the reasons for the subdued response shown by the Central Asian elites so as not to compromise their independence in regional politics. So, regardless of its restricted engagements with the Central Asian region, it is likely that this region might not become a strategic high point for Beijing. The fact remains that China considers the Central Asian region as a transit area, connecting Europe with the Southeast Asia region, in addition to its relevance as a rich energy source. At the same time, Beijing's active and influential perspective on Central Asia and Russia's aims to keep this region within its own gambit of influence actually provides a comfortable option to this region's leadership to reap the benefits of their own authoritarian rule while drawing the line simultaneously in their relations with both Moscow and Beijing.³² In other words, China's engagement with the individual Eurasian countries is characterized by several push and pulls.

31 Daniel Markey, *China's Western Horizons: Beijing and the New Geopolitics of Eurasia* (Oxford University Press, 2020).

32 Ahmet Evin & Megan Gisclon, "The Role of Eurasia in Multipolar World Order", Istanbul Policy Centre, March 2019, <https://ipc.sabanciuniv.edu/Content/Images/Document/the-role-of-eurasia-in-a-multi-polar-world-501deb/the-role-of-eurasia-in-a-multi-polar-world-501deb.pdf>. Accessed on March 20, 2021.

Impact of COVID-19 on China's BRI Plans in Eurasia

COVID-19 compelled the world to live with a new reality and revise their domestic and global ambitions accordingly. The coronavirus pandemic affected the nations globally bringing economic and social life almost to a halt. The pandemic further highlighted the need for every nation to invest heavily in the update and upgradation of their health sectors. Even after more than two years, the road to economic recovery for many nations remains tedious and cumbersome. China's BRI plans faced a major setback due to the pandemic. China under its BRI umbrella had provided loans for the construction and infrastructure development of approximately over \$200 billion. It also slowed Beijing's aim to become the economic and commercial giant in the world, eventually putting it at the center of the global economy. Furthermore, it became necessary to ensure that the BRI projects follow international procurement guidelines as well as more carefully scrutinize prospective borrowers and projects based on their ability to repay the loans. This tightening of guidelines and strict rule-following attitude related to BRI might affect China's plans, especially in a time when there is depreciation and delay in global demand due to the COVID-19 pandemic. It also affected President Xi's expansion plans related to BRI.³³

Global demand gradually started picking up pace in the later months of 2020 and early 2021. However, some nations still face an uphill task. Following the pandemic, the initial lack in demand resulted in creating problems for nations that had taken out loans for BRI projects. In this list, even the developed countries which are partners with BRI might feel the

33 Felix K. Chang, "Lack of Demand: The Coronavirus Pandemic and China's Belt and Road Initiative," Foreign Policy Research Institute-Asia Programme, April 27, 2020, <https://www.fpri.org/article/2020/04/lack-of-demand-coronavirus-pandemic-belt-and-road/> (accessed March 23, 2020).

challenges related to demand and supply. At present, most of the nations are trying to stabilize their economies which are suffering from recession. However, in the years before the outbreak of the COVID-19 pandemic, Beijing had hoped that Italy—Europe's third-largest economy—would become a foundational basis for its BRI plans in the European region. However, post-pandemic, Beijing might have to take slower steps in enhancing its footprint in the European region and for the time being only be satisfied with Hungary, which remains eager to construct and develop a BRI-financed railway line to Serbia.³⁴

The pandemic not only affected other nations but also slowed down the Chinese economy, which further had implications for its BRI plans. The inability of Chinese workers to reach BRI-initiated overseas projects in the first year of the pandemic and factories being cut off from Chinese imports during that period made the situation troublesome for China. The COVID-19 pandemic disrupted the supply chains that provided the companies access to key machinery and significant components.³⁵ Additionally, geopolitical developments at the global level weakened American influence and competence. This led to the resurgence of revisionist powers like China and Russia in this geo-strategically significant region. However, it remains to be seen whether Beijing's efforts to enhance its image as a global leader through the BRI will be successful or not. Definitely, almost a decade after the announcement of BRI, the nations of the world are more aware of the risks of their gratuitous reliance on China. Unquestionably, the pandemic has led to deep skepticism about relying too closely on China's BRI plans.³⁶

34 Ibid.

35 "COVID-19 Slows China's Belt and Road Push," *The Hindustan Times*, February 18, 2020, <https://www.hindustantimes.com/world-news/coronavirus-outbreak-updates-covid-19-slows-china-s-belt-and-road-push/story-9y0aF3JUsIvOckgAUUnYZGM.html> (accessed March 23, 2021).

36 Plamen Tonchev, "The Belt and Road after COVID-19," *The Diplomat*, April 7, 2020, <https://thediplomat.com/2020/04/the-belt-and-road-after-covid-19/> (accessed March 23, 2021).

Impact of Russia-Ukraine Crisis on China's Eurasian Endeavors

The Russian invasion of Ukraine, though primarily a geopolitical event, has displayed the ability to reconfigure the geo-economics of the world, let alone the Eurasian region. Apart from the European diversification of energy resources away from Russia, and global support for the Ukraine cause, the war has had a significant impact on China-Russia relations. Even though Beijing has not openly condemned Moscow for its military intervention in Ukraine, it has shown a subdued response when it came to supporting its all-weather partner militarily. However, economically speaking, Russian oil and gas found its way to China, a net energy importer nation since 1993. At the same time, there have been fissures in the bilateral relationship as Russia is being sidelined by the rest of the world, something that China is clearly trying to avoid due to its financial implications—the BRI depends upon global trade. However, due to the war, it has become a financial burden for China to sustain its funding for BRI projects. The crisis has highlighted the constraints of connectivity projects across borders which have suffered due to this ongoing crisis.³⁷

One of the emerging issues is related to shipping containers from China to Europe through Russia—which was a significant component of Beijing's BRI plans. However, this crisis has forced Beijing to look for alternatives due to the economic fallout of trade disruptions. Chinese goods to Europe are being moved through rail-cargo via Central Asia, the Caucasus, and Turkey, despite long-standing logistical problems associated with this route. According to the Trans-Caspian International Transport Route Association, cargo shipments across Central Asia and the Caucasus are expected to reach 3.2 million metric tons in 2022, a six-fold increase over

37 "Russia-Ukraine Crisis: China's Belt Road Initiative at the Crossroads," http://eprints.lse.ac.uk/116010/1/ABM_Article_Mendez_et_al_2022_.pdf (accessed October 20, 2022).

the previous year. There was an upward swing in this route in April 2022 when major shipping corporations, such as Maersk, cancelled new bookings through Russia and started a train service along the 'middle corridor'.³⁸ This was followed by the Finnish company *Nurminen Logistics* in May 2022.³⁹ In fact, major shipping firms and companies showed an unwillingness to continue transport through Russia.⁴⁰ At the same time, this provided an opportunity for some smaller nations to capitalize on filling this need to their advantage. Even though the middle corridor provides an alternate route at present, in the long run the logistical and increased transport costs can become tedious for Chinese companies.⁴¹ Furthermore, the middle corridor lacks the necessary infrastructure for smooth transit for large shipments.

38 Middle Corridor refers to the Trans-Caspian International Transport Route (TITR). It is a fast-developing land and sea freight route spanning from Europe to China and is emerging as a viable alternative to the long-established northern route via Russia.

39 Reid Standish, "China's Belt and Road Focuses On New Eurasian Trade Routes Due To Ukraine War," RFERL, July 18, 2022, <https://www.rferl.org/a/china-ukraine-war-eurasian-trade-routes-russia-standish/31948987.html> (accessed October 20, 2022).

40 Sam Meredith, "World's largest shipping companies suspend bookings to and from Russia," CNBC News, March 3, 2022, <https://www.cnbc.com/2022/03/03/russia-shipping-giants-maersk-msc-and-cma-cgm-suspend-bookings.html> (accessed October 20, 2022).

41 Yin Yeping and Liu Yang, "Russia-Ukraine conflict starts to affect China-Europe trade," Global Times, February 27, 2022, <https://www.globaltimes.cn/page/202202/1253357.shtml> (accessed October 20, 2022).

Concerns Related to Beijing's Eurasia Plans

The Eurasian nations do have a number of concerns vis-à-vis China's BRI plans. These range from issues of transparency, environmental concerns, and the strategic aims of Beijing. The concerns related to the degradation of the environment due to various BRI plans and projects is paramount. In this context, there are various studies by a number of think tanks and NGOs which report that almost 85 percent of BRI projects can be linked to high levels of greenhouse gas emissions besides other environmental degradation issues. These projects have included at least 63 coal-fired power plants in BRI partner countries.⁴² Many BRI major corridors traverse through ecologically sensitive regions. Increasing interconnectivity in the Eurasian region also means that natural environments and habitats are in danger of being destroyed, threatening the surrounding ecosystems—along with the livelihood of the people inhabiting this region. For example, the Silk Road Fund established to support BRI projects is helping global sustainability by investing in a Russian petrochemical company that uses petroleum as a feedstock in chemical processes instead of burning it for electricity generation, despite still supporting this extractive industry. The Silk Road Fund also funded a liquefied natural gas project on Russia's Yamal Peninsula.⁴³

42 Keith Bradsher, "China Renews its 'Belt and Road' Push for Global Sway," *The New York Times*, January 15, 2020, <https://www.nytimes.com/2020/01/15/business/china-belt-and-road.html#:~:text=The%20institute's%20report%20also%20said,63%20coal%2Dfired%20power%20plants> (accessed March 25, 2021).

43 Patrick Teese, "Exploring the Environmental Repercussions of China's Belt and Road Initiative," *Environmental and Energy Study Institute*, October 30, 2018, <https://www.eesi.org/articles/view/exploring-the-environmental-repercussions-of-chinas-belt-and-road-initiativ> (accessed October 27, 2022).

There is growing skepticism among the Eurasian nations that China is using BRI funds to gain influence in the Balkan nations that are on the way to become members of the EU. Beijing is trying to do this by providing Chinese access to the heart of the EU's common market.⁴⁴ In all of this, Moscow had also offered to become a part of China's Eurasian land bridge project. This was against the initial reactions that came from the Kremlin with respect to the BRI wherein it had acted with somewhat reticence at first. It can be said this reaction was due to Russia's concern that Beijing's plans could outperform Moscow's vision for EAEU—which was originally supposed to be a Russia-led alliance related to political, trade, and infrastructure construction issues in the Eurasian nations. Further, there have been apprehensions in the Russian quarters that China's BRI plans might impinge on its (Russian) traditional sphere of influence in the Eurasian region.⁴⁵

At the global level there is growing skepticism related to the Russia-China asymmetrical alliance. Here it is important to mention that Russia's economy and its total trade volume are both approximately one-eighth in comparison to the Chinese economy and its trade volume, respectively. So, there are growing apprehensions that the successful completion of BRI projects in the Eurasian region might widen the economic gulf between Russia and China.⁴⁶ As for Beijing, it sees the world as a combination of maritime and inter-connected land routes wherein nations engage in various trade and commercial activities which result in a zero-sum game

44 Austin Doehler, "How China Challenges the EU in the Western Balkans," *The Diplomat*, September 25, 2019, <https://thediplomat.com/2019/09/how-china-challenges-the-eu-in-the-western-balkans/> (accessed March 25, 2021).

45 Saibal Dasgupta, "Putin Demands a Role in Eurasian Part of Belt and Road," *VOA News*, May 4, 2019, <https://www.voanews.com/europe/putin-demands-role-eurasian-part-belt-and-road>; Sebastian Peyrouse, "The Evolution of Russia's Views on the Belt and Road Initiative," *Asia Policy*, no. 24 (2017): 96–102, www.jstor.org/stable/26403207 (accessed March 26, 2021).

46 Andrew Chatzsky and James McBride, "China's Massive Belt and Road Initiative," *Council on Foreign Relations*, January 28, 2020 (updated), <https://www.cfr.org/background-rounder/chinas-massive-belt-and-road-initiative> (accessed March 17, 2021).

in politics. This is further exemplified by China's BRI plans. A militarily and economically weakened Russia may further increase its distance from the West thereby increasing Moscow's proximity to Beijing. Therefore, it would be a tight-rope walk for China to strategically manage its relations with Russia and its economic ambitions with Europe and the rest of the world with respect to the BRI.

It has often been alleged by various analysts that Western academicians and scholars have been unable to decipher and understand China's thinking and policy-making. This lack of understanding eventually leads to misconstrued notions regarding Beijing's activities and its rising power and influence, globally. China, on its part, is closely observing the West and Russian actions and activities and is trying to fill the gaps due to the receding influence of the two major powers i.e., the United States and Russia. For the same reason, China's BRI connectivity links in adjacent Central Asia, West Asia and Caucasus regions are emerging as crucial for fulfilling its geographical as well as geostrategic aims.

Even though it is true that the BRI offers a wide range of economic and developmental prospects, serious challenges associated with the BRI and Chinese strategy vis-à-vis transparency can become a big hurdle in its plans to capture the Eurasian market. The objections voiced indicate that there seems to be a lack of transparency references, rules-based public tenders, and reciprocal market access. The European attention to fair and transparent procurement practices is a reflection of concerns that Chinese companies would do well to pay attention to rather than sidestepping standards to which European partners adhere.⁴⁷ As discussed by the Carnegie Endowment for International Peace in one of its research papers, "...the BRI's opaque and unaccountable mode of operation when financing and investing in regional infrastructure projects through loans

47 Vanora Bennett, "What China's "Belt and Road Initiative" means for the Western Balkans," European Bank for Reconstruction and Development, September 11, 2017, <https://www.ebrd.com/news/2017/what-chinas-belt-and-road-initiative-means-for-the-western-balkans.html> (accessed December 12, 2021).

risks exposing already vulnerable economies to potentially unsustainable debt levels and to fiscal instability.”⁴⁸

Another setback to the BRI in the post-pandemic world comes from the approach towards high-quality infrastructure promoted by Japan and now followed by several countries including India and the U.S. In an approach towards joining hands and integrating their economies in a unique and innovative manner, several initiatives such as the Indo-Pacific Economic Framework (IPEF), the Quad, and the Supply Chain Resilience Initiative (SCRI) have been adopted by like-minded countries in the Indo-Pacific region. These new initiatives are now focusing on providing higher standards in financial transactions, infrastructure development processes as well as resilient supply chains. Such initiatives provide an alternative to developing and underdeveloped countries to pursue development with an assurance of high quality and transparent processes based upon mutual respect and equality of the sovereign nation.

The main point of difference between the U.S. and Europe's approach to the BRI lies in their strategic perception of China. While it may be true to say that Europe shares some of America's fundamental skepticism related to the BRI, the scope of Chinese influence in the Eurasian region is enormous—especially in the context of the reduced influence of the West and Russia in this region.

It is still debatable as to what is the extent of Chinese ambitions with respect to the Eurasian region.⁴⁹ Whether Beijing will be content after

48 Erik Brattberg and Etienne Soula, “Europe's Emerging Approach to China's Belt and Road Initiative,” *Carnegie Endowment for International Peace*, October 19, 2018, <https://carnegieendowment.org/2018/10/19/europe-s-emerging-approach-to-china-s-belt-and-road-initiative-pub-77536> (accessed April 10, 2021).

49 Marcin Kaczmarek, “Non-western visions of regionalism: China's New Silk Road and Russia's Eurasian Economic Union,” *International Affairs* 93, no. 6 (2017): 1357-1376, https://www.chathamhouse.org/sites/default/files/images/ia/INTA93_6_04_Kaczmarek.pdf; Phillip Le Corre, “On China's Expanding Influence in Europe and Eurasia,”

displacing the U.S. and becoming an absolute economic power in the region? Or, would it further decide to play a significant political role in the region in the domestic and regional politics of the individual countries to its favor? Undeniably, China's political influence is directly related to its monetary issues and geographical proximity. The geographical significance of the Central Asian region and its importance related to Russian security concerns might lead China to play a little subdued role in this region so as not to jeopardize its growing political and security cooperation with Russia. This could also be the reason for Beijing's mild attitude related to being involved militarily in Central Asia after the end of the Cold War. However, China's projection of the BRI as a plan to build a regional "community with a shared future"⁵⁰ is also being viewed with skepticism in Moscow. Added to this is the perception of China becoming a potential hegemon in the region. This has also created fear of Beijing's growing power and influence in the region.

Testimony Before The House Of Representatives Foreign Affairs Committee, Carnegie Endowment for International Peace, May 9, 2019, <https://carnegieendowment.org/2019/05/09/on-china-s-expanding-influence-in-europe-and-eurasia-pub-79094> (accessed December 13, 2021).

50 Chris Devonshire Ellis, "China Hosts Meeting of the Advisory Council of the Belt and Road Forum for International Cooperation: Analysis," Silk Road Briefing, December 20, 2021, <https://www.silkroadbriefing.com/news/2021/12/20/china-hosts-meeting-of-the-advisory-council-of-the-belt-and-road-forum-for-international-cooperation-analysis/> (accessed October 19, 2022).

Conclusion

The Eurasian region is important for China's BRI strategy to be successful. Besides the economic advantages and energy security, geopolitical considerations keep Beijing pushing for the project. However, as recent developments reveal Europe has begun re-examining its policies related to the Chinese BRI challenge. Similarly, some Asian partners of the BRI project have been recalculating their approach with China to avoid debt traps, domestic backlash, and so on. While measures are in place for guaranteeing this and related to crucial technologies and infrastructures, their implementation and enforcement is to be seen which will eventually make all the difference between continued vulnerability and effective security. Moreover, the Eurasian region still remains fragmented with several nations at its periphery benefiting from Chinese economic support. But the European region remains steadfast on its principles related to liberal and democratic values in the world.

The BRI plan to redirect global trade towards China requires the development and construction of more infrastructure. However, for these new infrastructures to be sustainable, there is a need for trade relations to be maintained as well as lucrative. Without the robust demand for goods and services from China, there will not be enough trade to sustain the development of lucrative infrastructure projects.

The COVID-19 pandemic has led to a decline in the global economy which might require Beijing to incur more financial expenses if it wants its BRI plans to be successful. In recent times, Beijing had to restructure or exonerate BRI loans to a few African nations,⁵¹ however, without much

51 Kate Bartlett, "China Cancels 23 Loans to Africa Amid 'Debt Trap' Debate," VOA News, August 25, 2022, <https://www.voanews.com/a/china-cancels-23-loans-to-africa-amid-debt-trap-debate-/6716397.html> (accessed October 30, 2022).

clarity on its implications for Chinese businessmen and the concerned countries. Also, China has to maintain a favorable trade balance with its partners to alleviate distrust and evoke confidence in Chinese projects. Obviously, none of this is an easy task for Beijing. In addition, the post-pandemic economic crisis has led to difficulties in China as well—including declining demand. Unless China is willing to come clear on the issue of the burden of debt, President Xi's dream of creating a new global economic order with China at the center may seem like a distant possibility. Given this complex geo-economic and geopolitical framework, it is essential to keep a watchful eye on BRI projects in the Eurasian region and study how events unfold.

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