

# Breathtaking plans to rebuild the world emerge from Beijing

On 25-27 April, 37 world leaders and the heads of the International Monetary Fund and United Nations sat down to discuss a forward plan—and mark the progress to date—in the project to pull the world economy out of depression and into the future. Over 5,000 participants from 150 countries and 90 international organisations heard a visionary perspective for global collaboration to uplift people from poverty and develop remote and backwards regions, unleashing an untapped economic potential which will benefit the entire world.



World leaders attending the Second Belt and Road Forum, Beijing. Photo: AFP/Valeriy Melnikov/Sputnik

Delegates at Beijing's Second Belt and Road Forum for International Cooperation were privy to a rundown of the accomplishments of member nations in the past five years, working in the context of a development "framework consisting of six corridors, six connectivity routes and multiple countries and ports". Within that framework are 35 economic corridors spanning Africa, Asia and Europe, and 14 cooperation initiatives and platforms. Each corridor involves the construction of railways, highways, ports, air transportation, energy projects and communications facilities.

Many billions of dollars' worth of bilateral agreements were signed, including for new infrastructure projects. Funding mechanisms and networks of financial arrangements to expand this potential are progressing. Discussion ranged from the second phase of development of the Suez Canal Economic Zone, to the prospect of connecting the Northern Sea Route with the Maritime Silk Road, and rebuilding Syria.

Given the declining state of the global economy, you would not expect anyone to be unhappy about this—but for the fact they've been told to be suspicious because *China is the country coordinating it*. Noticeably absent, therefore, were high-level leaders from the USA and Australia—currently in the vanguard of Anglo-American efforts to sabotage China's Belt and Road Initiative (BRI) so it doesn't shift the balance of global power away from the City of London and Wall Street and its dying financial structures.

## Uphill battle

Following the first Belt and Road Forum (BRF) in May 2017, which brought China's visionary plan announced in 2013 into global prominence, attacks on the BRI grew exponentially. Talk of "debt trap diplomacy", "uneconomic projects" and China's "geopolitical ambitions" clouded reports of positive accomplishments and progress. Despite this, the project has received praise from nations participating in any capacity, from Djibouti to Germany, from Costa Rica to the Czech Republic.

Since Italy became the first G7 nation to sign a Memorandum of Understanding with China on Belt and Road development in March, signs of a shift in Europe have grown. Italy, Germany, France, the UK and Switzerland (which has also just signed up to the project), and many others, sent ministerial-level representatives or leaders. Even the mostly anti-BRI German economic daily *Handelsblatt* admitted that China has shown flexibility in dealing with Malaysia, renegotiating its East Coast Rail Link at a lower price; and Sri Lanka, with the Hambantota Port lease.

The UK, which has not budged on signing up to the BRI, sent to the forum Chancellor of the Exchequer Philip Hammond, who spoke of the project's "tremendous potential to spread prosperity and sustainable development, touching as it does, potentially 70 per cent of the world's population". PM Theresa May's National Security Council has reportedly taken a decision to allow Chinese telecom company Huawei to contribute to "non-core" 5G infrastructure; the US State Department responded that this would jeopardise intelligence-sharing between the two countries, on the grounds that it could be a back door for Chinese espionage. Having vetted Huawei's equipment for nine years, Britain's National Cyber Security Centre regards any threat as "manageable". While Sinophobes warn Britain's move could spark the break up of the Five Eyes spying alliance (the USA, UK, Canada, Australia and New Zealand), New Zealand—which sent Economic Development Minister David Parker to the BRF—is

also considering allowing Huawei into its 5G build.

In the lead-up to the forum, China reiterated its offer for the United States to join the BRI, in the *Global Times* and in a Fortune magazine column by the Chinese Ambassador to the USA Cui Tiankai. Under the headline "Why the US shouldn't sit out the Belt and Road Initiative", Cui cited the growth in trade and investment, and the hundreds of thousands of jobs the initiative has created, suggesting the USA embrace the opportunity as many US companies already have.

A 26 April *New York Times* article, "Is China the world's loan shark?", by China-Africa relations expert at Johns Hopkins University Dr Deborah Bräutigam, reports that a number of academics have searched for evidence of Chinese underhandedness and come up empty-handed. The university's figures tracking Chinese loans to Africa and South America over 17 and 12 years respectively show "the risks of BRI are often overstated or mischaracterised", she said. "America's False Narrative on China" by Stephen S. Roach, former Chairman of Morgan Stanley Asia and senior fellow at Yale University, published by Project Syndicate, took on misconceptions about America's trade deficit with the USA, refuting allegations of Chinese intellectual-property theft and currency manipulation, and showing China's industrial policy is comparable to that of the USA or European nations.

Regardless, at the summit China pledged to further open up its economy, allow more foreign investment, pursue intellectual property protection with its partners and improve the quality of BRI financing.

Reflecting on the Beijing forum, Malaysian Prime Minister Dr Mahathir Mohamad described BRI as "a policy developed by all the nations", where small countries sit with China "at the same level, and talk about how to develop infrastructure projects". Costa Rica's Ambassador to China, Patricia Rodríguez Hölkemeyer, declared that China is calling "upon the whole world to design together what the New Paradigm is going to be". Swiss President Ueli Maurer called the BRI a "rare long-term strategic plan [that] has created a new dimension for the development of the world economy"; and Chile's President Sebastián Piñera remarked that China has made "an enormous contribution to humanity". Australian state Premier from Victoria Daniel Andrews added, "On every level, including cultural links, partnerships between symphony orchestras, ballet companies, galleries and museums ... there is a depth to this partnership that is very, very important today, and one that continues to grow."