



China's Belt and Road Initiative: Analysis and India's Strategic Response

BV Manikumar^{1*}, Prof. Peteti Premanandam², Dr. T. Naga Raju³

^{1*}Research Scholar (Part-Time), Dept. of Political Science and Public Administration, Andhra University

²Head, Dept. of Political Science and Public Administration, Andhra University Faculty.

³Dept. of Political Science and Public Administration, Andhra University

Citation: BV Manikumar, et.al (2024). China's Belt and Road Initiative: Analysis and India's Strategic Response, *Educational Administration: Theory and Practice*, 30(1) 7896-7900
Doi: 10.53555/kuey.v30i1.11020

ARTICLE INFO

ABSTRACT

This paper examines the Belt and Road Initiative (BRI) also known as One Belt One Road (OBOR) or the New Silk Road as China's most ambitious connectivity and external economic strategy in the early twenty-first century. The study dwells into BRI's origins, stated purposes, strategic drivers, implementation mechanisms, benefits to China, and the varied responses it prompted in South Asia especially India. The analysis considers India's reasons for non-participation, the costs and opportunities associated with that deliberate tough stance, Beijing's efforts to engage New Delhi and the emergence of alternative corridors and partnerships as counters to Chinese led connectivity. The paper concludes with policy recommendations for Indian statesmen seeking to preserve sovereignty while capitalizing on regional connectivity opportunities. Key findings underscore that BRI combined developmental financing with geopolitical influence, that India's refusal protected core interests but generated infrastructural tradeoffs, and that effective alternatives require credible, bankable, and standards based initiatives that can translate political intent into tangible projects.

Introduction

The Belt and Road Initiative (BRI) represents China's framework for transnational connectivity in the twenty first century. Launched in the 2010s, the initiative sought to revive and modernize historical routes of commerce frequently referred to as the "New Silk Road" through an ambitious programme of infrastructure investment and institutional linkage. The conceptual duality of BRI, with an overland "Silk Road Economic Belt" and a maritime "21st Century Maritime Silk Road," captured both continental and oceanic ambitions. Policymakers quickly recognized that BRI was more than an infrastructure program: it was a tool for internationalizing surplus industrial capacity, mobilizing Chinese finance abroad, and shaping regional economic governance. This paper focuses on BRI's evolution and implications for India and South Asia. It aims to provide a set of policy recommendations for Indian statesmen who face a complex choice: engage, resist, or propose alternative pathways for regional connectivity. The purpose of this paper is analytical; it evaluates tradeoffs and proposes operational policy options that are feasible.

Background and Genesis of the BRI

The modern concept of a revived Silk Road originated in Chinese policy as part of a broader push to align domestic economic restructuring with outward oriented connectivity projects. Announced and popularized through high level rhetoric in the early 2010s, the initiative quickly attracted attention owing to its scale and cross continental ambitions. BRI's architecture combined a set of corridors linking China to Central Asia, South Asia, Southeast Asia, Africa and Europe, with the aim of knitting together trade routes and logistical chains. The initiative also involved expanded institutions and mechanisms for finance and project implementation, including both bilateral lending and multilateral partnerships that pooled Chinese capital with foreign finance. These aspects informed early critiques regarding transparency, environmental risk, and long term debt sustainability in recipient countries.

Stated Purposes and Strategic Intentions

Official Chinese narratives stressed economic development, poverty reduction, trade facilitation, and cultural exchange. China argued that improved connectivity would lower transaction costs, promote investment, and create jobs along transit corridors. Economically, the initiative offered a means to export excess capacity in the construction and heavy industry sectors, providing continuous workstreams for China's engineering and manufacturing complex. Financially, BRI enabled the internationalization of Chinese capital and institutions by constructing channels through which Chinese banks and lenders could operate across a wider geography. Geopolitically, the infrastructure and finance package strengthened Beijing's ties to partner states and created leverage; economic dependency that could be translated into diplomatic influence over time. In maritime theatres, port investments and long-term leases were interpreted by many as enhancing China's strategic reach and presence in vital sea lanes. By combining economic inducements with long term contractual and often debt backed relationships, BRI blurred the lines between development assistance and strategic statecraft.

Mechanisms and Implementation Framework

BRI encompassed mechanisms that included sovereign lending, project specific financing, equity investments, and the deployment of state owned contractors. The operational model typically began with diplomatic outreach and feasibility studies, followed by financing arrangements often involving Chinese policy banks or commercial lenders offering concessional or market rate loans. Implementation was dominated by Chinese construction groups and engineering firms, which provided turnkey delivery of infrastructure under contracts that sometimes limited competitive bidding. Multilateral institutions and regional banks occasionally participated, but many projects were principally bilateral arrangements that reflected home country preferences and strategic calculations. A defining characteristic of BRI was its heterogeneity: project quality, transparency, and long term viability that varied widely across countries complicating any singular assessment of the initiative's success or failure.

Economic and Geostrategic Benefits to China

BRI offered multiple and mutually reinforcing benefits to China.

- First, it promoted trade efficiency by connecting Chinese producers to markets in Asia, Africa, and Europe through improved physical linkages. Reduced transit times and lower logistic costs increased the competitiveness of exports and supported integration of upstream supply chains.
- Second, the initiative operated as a vehicle for outward capital flows, absorbing Chinese savings and enabling the deployment of domestic overcapacity in the construction and heavy industrial sectors abroad.
- Third, financial instruments used in BRI projects expanded the footprint of Chinese banks and created dependencies that could bolster China's diplomatic leverage.
- Fourth, from a strategic perspective, infrastructure investments held the promise of long term influence: ports, rail hubs, and energy terminals can anchor relationships and provide leverage over host state policy choices.

Complementarity with Maritime Strategic Patterns for China

Analysts debated the relationship between BRI and maritime strategic pattern referred to as the "String of Pearls" that captured China's expanding presence in ports across the Indian Ocean. Port investments under BRI's maritime projects could, in some cases, functionally overlap with the strategic influence envisaged by the "pearls" framework. This convergence was salient in regions where Chinese investments created new nodes of logistics and trans-shipment capacity. For India and other maritime states, the strategic implication was clear: maritime infrastructure is not solely commercial; it shapes patterns of naval access, peacetime logistics, and potential strategic dependencies. India's policy responses needed to account for both economic and security dimensions of maritime connectivity.

How BRI is seen by the world

The BRI remains one of the most ambitious geopolitical and economic projects in modern history.

From the Western viewpoint, the BRI is often seen as a strategic instrument of Chinese influence rather than mere infrastructure aid. Western analysts argue that Beijing has used the initiative to expand its geopolitical footprint across Asia, Africa, and Europe, creating dependency through what critics call "debt-trap diplomacy." Projects like Sri Lanka's Hambantota Port are frequently cited as cautionary tales, where unsustainable debts led to long-term Chinese control of strategic assets.

In contrast, African nations often perceive the BRI more pragmatically: as an opportunity to fill chronic infrastructure gaps that Western aid or investment has long neglected. Roads, railways, ports, and power plants financed under the BRI have transformed connectivity in several African states, though concerns persist about debt sustainability and lack of local employment benefits.

Within China's political establishment, the BRI is defended as a vision of "shared development" and a projection of China's peaceful rise.

However, Chinese bankers and financial technocrats increasingly voice caution, wary of the mounting non-performing loans and political backlash in some recipient countries. Recovering losses from failed ventures remains difficult renegotiations, asset leases, and partial write-offs have become common.

Strategically, the BRI undoubtedly serves Beijing's broader objective of diluting U.S. global influence by building alternative trade routes, securing energy corridors, and forging new alliances under Chinese leadership. Yet, as global economic pressures mount and recipient countries demand fairer terms, the BRI stands at crossroads neither a definitive failure nor a clear success.

How China Sought Indian Participation

China engaged India on multiple diplomatic and subnational channels to explore cooperation. One prominent idea that intersected with BRI discourse was the Bangladesh–China–India–Myanmar (BCIM) corridor, a concept focused on improving connectivity between China's southwest and India's northeast via Myanmar and Bangladesh. Civil society exchanges, provincial cooperation, and business forums kept BCIM on the agenda at subnational levels. Beijing also extended invitations and signals of cooperation through bilateral talks and through the broader diplomatic framework of BRI forums. However, these overtures often failed to address New Delhi's central concerns most notably the China Pakistan Economic Corridor (CPEC) issue and India remained cautious, willing to engage in specific and limited projects but not to endorse BRI in a way that would compromise its sovereignty or long-term strategic autonomy.

Sri Lanka's Debt Diplomacy and the Hambantota Lesson

Sri Lanka's experience with the Hambantota Port stands as one of the most frequently cited examples of China's "debt-trap diplomacy." During the mid-2000s, Colombo embraced extensive Chinese financing to construct the deep water port and related infrastructure, seeking to transform its southern coast into a logistics hub. However, the project generated limited commercial returns, while loan servicing obligations mounted amid declining national revenues. By 2017, Sri Lanka's inability to meet repayment schedules culminated in a 99-year lease of the port to a Chinese state owned enterprise an arrangement widely interpreted as converting financial exposure into geopolitical leverage. The episode triggered a belated policy reckoning within Sri Lanka and across the wider region: the realization that indiscriminate borrowing, can undermine long-term autonomy. For India, the development was doubly disquieting. It not only brought a Chinese foothold into a zone of India's immediate maritime concern but also reflected the diminishing weight of New Delhi's counsel in its neighbourhood.

Strategic Lessons for South Asia: Beyond the BRI Paradigm

- The Hambantota experience crystallizes broader strategic lessons for South Asia as it navigates the infrastructure politics of the twenty-first century.
- The first lesson is that connectivity is never neutral: ports, highways, and power grids invariably shape political dependencies and diplomatic alignments.
- The second is that transparency and debt sustainability are not simply technocratic ideals but instruments of strategic autonomy. For smaller South Asian economies, the challenge lies in balancing the attraction of immediate investment inflows against the imperatives of long-term sovereignty and fiscal prudence.
- India's post-Hambantota approach, anchored in credible finance, regulatory clarity, and multilateral cooperation. It demonstrates that strategic competition can be reframed through cooperative development rather than zero-sum confrontation.
- For China too, the regional backlash against perceived debt diplomacy underscored the limits of influence achieved through financial leverage alone.
- The emerging discourse across South Asia now favors plural connectivity, where multiple actors India, Japan, the Gulf states, the European Union contribute to a balanced network of infrastructure partnerships. Beyond the BRI paradigm, the path forward lies in transparent governance, diversified funding, and regional ownership of development priorities.

India's Recalibrated Neighborhood Diplomacy after Hambantota

The Hambantota episode triggered a strategic reorientation in India's neighborhood diplomacy, compelling New Delhi to reassess how economic and infrastructural engagement shapes regional alignment. India's initial reaction was one of unease, viewing Sri Lanka's concession of a strategically located port to a Chinese entity as an erosion of the traditional balance of influence in the Indian Ocean. Yet beyond concern, it triggered a policy recalibration that combined economic pragmatism with strategic foresight. Recognizing that passive disapproval was insufficient, India intensified its own development assistance and credit line diplomacy,

particularly through the Indian Development and Economic Assistance Scheme (IDEAS) and the Export Import Bank's concessional frameworks. This shift reflected an emerging consensus that influence in South Asia is no longer secured solely through political proximity, but through the delivery of timely, transparent and technically credible infrastructure solutions. India also sought to reinforce maritime partnerships, enhance trilateral cooperation with Japan and Sri Lanka, and promote multilateral initiatives such as the Security and Growth for All in the Region (SAGAR) vision. For India, the lesson was unequivocal: proactive, principled engagement is the most effective antidote to reactive diplomacy.

India's Position and Core Reservations

India's reaction to BRI was shaped by a combination of sovereignty concerns, strategic calculation, and objections about governance. The single most salient point of contention was the China Pakistan Economic Corridor (CPEC), a flagship BRI subproject that traversed territory administered by Pakistan but claimed by India. New Delhi argued that formal engagement with an initiative that embedded projects in contested areas could amount to de facto acceptance of territorial arrangements averse to India's sovereign claims. Beyond the territorial issue, Indian policy elites expressed anxieties about opaque contractual terms, the primacy of Chinese firms in project delivery, the absence of robust environmental and social safeguards, and the possibility of long-run financial dependency for smaller neighbours. India also viewed BRI as an architecture that could reorient its neighbours toward Chinese economic and political preferences, thereby eroding New Delhi's traditional influence in South Asia. These factors combined to make participation politically untenable in New Delhi's strategic picture.

Costs and Opportunities of Non-Participation

Declining to formally join BRI carried both strategic benefits and economic costs for India. By maintaining distance, India safeguarded its stance on territorial integrity and avoided associating itself with projects that could undermine its regional claims. Non-participation also insulated India from certain opaque procurement practices and potential debt burdens that afflicted several recipient states. Conversely, the refusal meant forgoing opportunities for Chinese finance and market access that could have accelerated infrastructure development particularly in India's northeastern region, which suffers from connectivity deficits. Thus, New Delhi faced a dilemma: the choice preserved core strategic interests but risked infrastructural and geopolitical disadvantages unless offset by credible alternative initiatives.

India's Cooperative Alternatives

Following the Hambantota experience, India advanced a strategy of constructive engagement anchored in cooperative alternatives rather than confrontation. The development of Sri Lanka's eastern port of Trincomalee emerged as a central component of this recalibrated vision. In collaboration with Japan and other development partners, India promoted Trincomalee as a model of transparent, commercially viable, and environmentally sustainable port development an implicit counterpoint to the opaque financing that had burdened Hambantota. Beyond Sri Lanka, India began embedding its maritime outreach within broader connectivity frameworks such as the India–Middle East–Europe Economic Corridor (IMEC) and regional initiatives like the Indo-Pacific Oceans Initiative (IPOI). These projects sought not only to diversify sea routes but also to institutionalize high standards infrastructure norms emphasizing openness, sustainability, and financial prudence. Complementing physical infrastructure, India expanded maritime capacity-building programmes joint naval exercises, coastal radar systems, and humanitarian assistance operations to reinforce regional trust and interoperability. Through these measures, New Delhi conveyed that economic partnerships need not entail political dependency. Trincomalee and IMEC symbolized this shift: an alignment of strategic interest with developmental legitimacy. Together, they projected India's aspiration to lead through example offering connectivity that empowers rather than constrains. The cooperative turns thus demonstrated that sustainable influence in the Indian Ocean derives not from opposing China's BRI per se, but from presenting a superior governance model that aligns economic rationality with regional stability.

IMEC and Multilateral Alternatives

By the early 2020s, India and several partners advanced alternative corridor concepts that sought to provide rules-based, diversified connectivity. A prominent example is the India–Middle East–Europe Economic Corridor (IMEC), an initiative that aimed to link India and Europe via Gulf partners and multimodal transport. Such proposals were politically significant for signaling a commitment to alternatives to single-nation-led architectures. However, moving from diplomatic intent to operational projects required credible project pipelines, co-financing, and harmonized standards; elements that remained under development. The relative effectiveness of these alternatives depended on the speed of implementation and the attractiveness of the financing models presented to potential partner states.

Critical Analysis and Inferences

BRI exemplifies how infrastructure and finance become tools of statecraft. The initiative's blend of market-opening rhetoric and state backed financing illustrates a hybrid model: economic cooperation embedded within a framework of asymmetric capabilities and strategic intent. For recipient states, the calculus involved balancing immediate development needs against long-term autonomy risks. The policy choices of middle powers such as India thus reflected a broader dilemma in the contemporary global order; how to pursue economic modernization and regional integration without becoming subordinated to strategic dependencies that constrain policy space. The evidence suggested that credibility matters: alternatives to BRI must not only offer finance but also deliver transparent, competitive procurement and durable institutional partnerships.

Policy Recommendations and Way Forward for India

For Indian statesmen seeking pragmatic and strategic outcomes, a mixed approach offers the best prospect of preserving national interests while advancing connectivity.

- First, India should continue to articulate a clear “connectivity conditionality” framework; criteria that any external partner must meet to engage in infrastructure projects with India or in India's immediate neighbourhood. Such a framework should include debt sustainability assessments, mandatory competitive procurement, environmental and social safeguards, and commitments to data and telecom security where relevant.
- Second, Delhi must accelerate the operationalization of alternative corridors by moving from MoUs to pilot projects backed by blended finance and multilateral participation. Building bankable project pipelines ports, logistics hubs, and rail and road links can demonstrate practical benefits and attract private capital.
- Third, India should deepen subnational cooperation in its own northeast and border regions to translate local connectivity aspirations into national priorities, thereby reducing the pull of third party projects.
- Fourth, proactive neighborhood diplomacy in Bangladesh, Sri Lanka, Nepal, and other neighbors should combine technical assistance with transparent financing options to retain India's influence.
- Finally, strengthening domestic institutions for project appraisal and public procurement will enable India to offer credible competition to foreign partners and protect public finances from unsustainable commitments.

Conclusion

The BRI is a defining feature of early twenty-first-century geopolitics in Eurasia and the Indian Ocean. BRI combined ambitions of large scale physical connectivity with financial instruments that amplified China's influence across multiple regions. India's careful and principled refusal to fully endorse BRI reflected legitimate sovereignty concerns and anxieties about governance and debt. However, that refusal also entailed strategic trade-offs in infrastructure and influence that required compensation through credible alternatives. The policy challenge ahead for India was not a binary choice between joining BRI and resisting it entirely, but rather fashioning a strategic posture that preserved national autonomy while delivering tangible connectivity dividends to its own citizens and neighbours. Operationalizing alternatives, institutional strengthening, and calibrated diplomatic engagement provide a realistic pathway for balancing those objectives.

Reference:

- 1.Bräutigam, D. (2020). *_A Critical Look at the Chinese 'Belt and Road Initiative'_*. Oxford Review of Economic Policy.
- 2.Dollar, D. (2019). *_The Belt and Road Initiative: What Will China Offer the World in the 21st Century?_*. Brookings Institution.
- 3.François, P., & Bi, J. (2018). *_Finance and the Belt and Road: Patterns and Implications_*. Carnegie Endowment for International Peace.
- 4.Gulati, S. (2021). *_India's Strategic Response to China's Connectivity Push_*. Observer Research Foundation (ORF) Paper.
- 5.Hillman, J. (2020). *_The Rise of China's Belt and Road: Challenges and Prospects_*. Center for Strategic and International Studies (CSIS).
- 6.Horn, S., Reinhart, C., & Trebesch, C. (2019). *_China's Overseas Lending_*. Kiel Institute Policy Brief.
- 7.Krepon, M. (2018). *_Connectivity and Competition in the Indian Ocean_*. Stimson Center Report.
- 8.Mohan, C. R. (2015). *_India and the Belt and Road_*. Brookings India Analysis.
- 9.Pant, H. V. (2018). *_India's Strategic Choices in an Era of Great Power Competition_*. International Affairs.
- 10.Rolland, N. (2017). *_China's Eurasian Century? Political and Strategic Implications of the Belt and Road Initiative_*. National Bureau of Asian Research (NBR).
- 11.Shah, V., & Thakur, R. (2022). *_Alternatives to BRI: The IMEEC and Multilateral Connectivity_*. Gateway House Paper.