



Belt and Road Initiative (BRI) and Shift of Global Power: An International Political Economy Perspective

Md. Shakin Mulla

Research Scholar, Department of Political Science, University of Delhi, India

Email:shakinmulla@polscienc.du.ac.in

DOI : <https://doi.org/10.5281/zenodo.17616403>

ARTICLE DETAILS

Research Paper

Accepted: 24-10-2025

Published: 10-11-2025

Keywords:

Political Economy, Debt, Geopolitics, Infrastructure, Foreign Policy

ABSTRACT

In 2013, China has announced Belt and Road Initiative which is one of the most passionate and significant multifaceted development and economic integration initiatives of this century in context of infrastructure, trade and finance. It is also a way of applying geopolitical power. This paper discusses the BRI within IPE parameters in terms of enmeshing economic and political dynamics in the formation of world power structures. The article finds out the risks, opportunities and systemic implications of BRI, and research is conducting qualitative analysis of secondary literature, policy papers and inclusion of case studies of South Asia, Africa and Europe, in the process of re-introducing the way of global connectivity through the incorporation of trade networks in the strategic significance of finance mobilization and infrastructure growth in China. The findings indicate that, on the one hand, the BRI facilitates the development and the connectivity of a region and trade, but on the same note, the BRI is causing significant economic dependence and geo-political dominance of China at the expense of the current existing western-dominated global order. Critique of causes of environmental damage and labour conditions and debt sustainability issues make the result yet less predictable. By the end of the day, BRI is a manifestation of interchangeability of economic and power focused on by IPE



theory:emerging of a multipolar world system in increasing contrast to what Robert Cox called hegemony and the discipline-related to it in favour of joint governance (Brautigam, 2020:109; Farrell and Newman, 2019:42; Strange, 1988) that must navigate carefully by offering transparency and multilateral coordination to control the associated risks.

Introduction:

World politics have changed significantly in the 21st century as China has become a major economic and strategic power. Central to this rise is the Belt and Road Initiative (BRI), formally announced by Chinese President Xi Jinping five years prior in 2013 that combines the internal Silk Road Economic Belt (feeding roads) with the maritime market of the future 21st Century Maritime Silk Road (sea routes), reaching over 140 countries via infrastructure, trade and financial connections (Huang, 2016, p. 12; Cai, 2017, p.8). BRI is not just a world development plan, but also possesses a geopolitical strategic connotation, which China desires to transform global governance and control in various regions.

Even though the project is often conceived as construction-based development to fill in the infrastructure gap(s) and facilitate regional economic development scholars focus on the strategic elements. China extends its influence by connecting the trade and investment relations to the partner states to destabilize the inherited liberal system shaped by the West (Callahan, 2016, p. 228; Cooley and Nexon, 2020, p. 110). The BRI also provides China with a chance to internationalize its currency, to establish alternative financial institutions and have a diplomatic impact on nations in Asia, Africa, Europe, and others (Farrell and Newman, 2019, p. 45; Summers, 2016, p. 33).

The article is structured in the following way: the literature review section puts the BRI in the perspectives of academic debates, in terms of developmental, geopolitical and critical perspectives. The approach provides a qualitative analysis-based form. Trade analysis, financial analysis, infrastructure analysis and geopolitical analysis are analyzed. In South Asia, Africa and Europe, case studies provide details of differences by region. Finally, the problems, criticisms and systemic implication of the BRI are presented (Rolland, 2019, p.50; Ni, 2024,5).

Literature Review**Development-Oriented Perspectives:**



One of the most significant streams of the research takes the BRI as the reaction to the lack of infrastructure globally. Huang (2016, p. 14) asserts the scheme will enhance availability of connectivity, trade and investment flows to previously overlooked territories. Indeed, Cai (2017: 11) highlights South-South cooperation with its mutual economic interest and regional integration. The current narratives of the infrastructure modernization in Pakistan, Ethiopia and Bangladesh has enabled market access and employment generation or country level developmental outcomes (Ni, 2024:3; Li, 2024:132).

Other analyses suggest the BRI to be an expansion of globalization since it minimizes trade costs, promotes transportation and the establishment of regional supply chains. The China-Europe Railway Express has decreased the weeks of traveling by sea to less than two weeks by rail, and thus improved efficiency and lowered logistical risks (Summers 2016:35). These Developments are regarded as indicators of the ability of China to bridge the global infrastructure gap, especially in those nations that were not included in the development programs run by Western powers (Brautigam, 2020, p. 101).

Geopolitical Perspectives

The other body of literature places the BRI as a strategy. According to Callahan (2016: 230), the initiative can be described as an application of the unique Silk Road identity of China to the new world order. According to Rolland (2019, 50), the practical value of the initiative to China is the need to protect its supply chains, have access to maritime routes and influence over countries of partners. Cases like the Hambantota Port in Sri Lanka demonstrate the danger of the so-called debt-trap diplomacy whereby infrastructure projects provide China with an upper hand on strategic locations (Chellaney, 2017, p. 7).

Critical IPE Perspectives:

Critical IPE theorists emphasize the non-dissolution of economic and political power. weaponized interdependence Farrell and Newman(2019, 47) theorize coercive economic relationships. BRI infrastructure and financial reliance may restrict the autonomy of the partner-state, a phenomenon with sovereignty connotations (Cooley and Nexon, 2020, 110). Summers (2016, 33) introduces the BRI as a geoeconomics in which it employs economic instruments against a political approach to building its global China image.

Methodology

The current research applies theoretical IPE and qualitative approach of analysis. All data is provided in secondary form (primary data), in the form of firm through peer-reviewed journals, policy reports,



official documents of BRI and case studies. Quantitative data related to trade, investment, and infrastructure has the context value, and the quantitative data are analyzed in terms of strategic and systemic implications (Huang, 2016, p. 15; Cai, 2017, p. 12).

Three IPE based lenses are informative to analysis:

Developmental Lens: Evaluates the BRI effects on infrastructure, trade and regional integration and has been positive to partner countries.

Geopolitical Lens: Examines how China uses investment, infrastructure and finance as a strategic tool to project power and influence internationally based organizations.

The Critical Lens: Assesses actual and possible risks to the environment, society, and sovereignty and exhibits the impact of power on economy (Farrell and Newman, 2019 p. 46; Cooley and Nexon, 2020 p. 112).

Analysis

Trade and Connectivity:

The BRI re-aligns the trade routes in the world through both land and sea roads. It is also a means of opening up the mainland Asia market, which is significant when looking at the risk of transit of goods via maritime chokepoints, i.e., the Strait of Malacca (Summers 2016:35). They provide access to the market and opportunities of investments in the partner countries, but there remains an unbalanced trade as a result of such asymmetries in trade despite the creation of corridors of Chinese goods through certain investment (Ni 2024: 4).

Influence of finance and money:

Chinese policy banks finance BRI projects and BRI are financed by Asian Infrastructure Investment Bank (AIIB) and Silk Road Fund which provide an alternative to the western led institutions. The combination of this is seen to promote internationalization of the Yuan yet increases the economic influence of China in other nations (Huang, 2016, p. 16). China can ensure terms can be renegotiated, exercise influence on policy decisions and control over strategic assets, like in Sri Lanka and Pakistan by establishing loan dependence (Brautigam 2020: 101421).

**Infrastructure Diplomacy:**

Belt, one road-type projects encourage interconnectivity and institutionalize politics. Programs such as Ethiopia-Djibouti railway, CPEC, SGR in Kenya and Piraeus Port in Greece are all initiated. This was a strategic control over ports, sources of energy and nodes of commerce (Chellaney, 2017: 9; Callahan, 2016:231). The infrastructure is a twofer: It produces economic growth and it structures a geopolitical space.

Geopolitical Influence:

The BRI projects the strategic presence of China in the Global South specifically. Sea ports such as Gwadar and Piraeus enhance trading centres, ports of safety. The geopolitics of BRI expansion, such as India not being included in CPEC, US/EU responses, such as the Blue Dot Network (Rolland, 2019, p. 52; Farrell and Newman, 2019, p. 48). The IPE theory underlines the fact that economic infrastructure is synonymous with political power.

Case Studies**South Asian: Pakistan, Sri Lanka and Bangladesh:**

CPEC Interconnecting Gwadar with China--Whither Sovereignty? (Ni, 2024, p. 6). The example of the 99 year old lease of the Hambantota Port of Sri Lanka entails the strategy of leverage (Chellaney, 2017, p. 10). Padma Bridge and power projects are sent to Bangladesh, which is indicative of the fact that the infrastructure-based growth but based on Chinese loans is a sign of financial weakness (Li et al., 2024, p. 133).

Africa: Kenya, Ethiopia, Nigeria:

SGR in Kenya must facilitate efficiency in trade because the level of debt dependency is intensified (p. 101) (Brautigam, 2020 ctr). The Ethiopia-Djibouti Railway makes the country more connected, yet causes both fiscal and environmental issues (Teo et al. 2019: 14). The economical advantages of Lagos-Kano rail in Nigeria are evident, however, social disturbance and conflict of labour portray systemic shortcomings.

Europe: Greece, Italy, Central/Eastern Europe:

Piraeus Port: COSCO enhances business and investment, yet it is also a strategic issue (Rolland 2019, p. restrict.....). Italy and Central/Eastern European nations are already engaging in BRI constructs,



exchanging their opportunities in relation to the European integrated concerns regarding the role of Chinese power (Summers, 2016, p. 37).

Outcomes of the Study

As the analysis of the BRI demonstrates, it transforms the international political economy rearranging the interpenetration of economic development and strategic influence, confirming one of the core theses of IPE theory that the interrelationship between economic development and politics is mutually constitutive.

Remaking the World Trade and Interconnectedness:

The BRI has completely redefined the world trade web in land and sea formations such as the China-Europe Railway Express and the CPEC. These projects are also supposed to help improve the connectivity and reduce the transportation time between partner states (Huang, 2016; Summers, 2016). Since the recipient nations have enjoyed the advantages of volumes in trade and building of infrastructure, economic imbalances have not altered much as China dominates production, technology and financial flows that generates dependency relationship (Ni, 2024).

Growing Chinese Geopolitical Detentures:

China strengthens its strategic influence over the partner countries in form of investment, infrastructure and finance. Acquisitions of ports (e.g. Hambantota, Sri Lanka; Piraeus, Greece) and capitalizing on critical infrastructure suggest the extent to which economic activities are that more instrumentally political (Callahan, 2016; Brautigam, 2020). It is an example of the so-called weaponized interdependence where the partner state autonomy of policy may be affected by the economic reliance on China (Farrell & Newman, 2019; Cooley and Nexon, 2020).

Helping to make the world Multipolar:

Instead of the western-centred liberal order, the BRI offers alternative financial institutions (AIIB and Silk Road Fund), as well as pursues the internationalization of Yuan. This is one kind of systemic structural shift bipolar to multipolar international system where investment and economy has played significant influence turns into geopolitical control and power balance between the continents of Asia, Africa, and Europe (Rolland 2019; Strange 1988).



Risks and Systemic Implications:

Although this is a constructive developmental role, the BRI poses systemic risks, including debt trap or debt sustainability issues (e.g. Pakistan, Kenya and Sri Lanka), environmental vulnerability, socially disaster and labor problems (Chellaney, 2017; Teo et al., 2019).

Conclusion:

The BRI has two way of flow which are economics and politics that lies at the centre of IPE. And promoting trade, investment and infrastructure development the programme has substantive economic payoff on partner countries. At the same time it empower the strategic political standing of China and challenges at present the Western centric organizations and introduces the systemic risks in the areas of debt, sovereignty and environmental sustainability. Case studies in the regions show the disparity: South Asia is facing sovereignty challenges, Africa is dealing with debt and environment issues and Europe is weighing the economic gains against the geopolitical skepticism.

To review it all, the BRI present a world where the rearrangement around its multipolar world, political opportunity is the weight of the economy. The impacts of positive or negative it will depend on the strategic interests, risk management, economic sustainability and integrating BRI projects into extended governance structures. IPE theory finds out that the relationship between economic and political are interconnected, and it recognises the BRI as a deeply structural transformation in international relations in the twenty-first century (Farrell & Newman, 2019, p. 48; Cooley and Nexon, 2020, p. 115; Strange, 1988, p.12).

References

- Brautigam, D. (2020). A critical look at Chinese “debt-trap diplomacy”: The rise of a meme. *China Economic Review*, 59, 101419. <https://doi.org/10.1016/j.chieco.2019.101419>
- Cai, P. (2017). *Understanding China’s Belt and Road Initiative*. Lowy Institute. <https://www.lowyinstitute.org/publications/understanding-china-s-belt-and-road-initiative>



- Callahan, W. A. (2016). China's "Asia dream": The Belt Road Initiative and the new regional order. *Asian Journal of Comparative Politics*, 1(3), 226–243. <https://doi.org/10.1177/2057891116647647>
- Chellaney, B. (2017). China's debt-trap diplomacy. Project Syndicate. <https://www.project-syndicate.org/commentary/china-debt-trap-diplomacy-by-brahma-chellaney-2017-08>
- Cooley, A., & Nexon, D. (2020). *Exit from hegemony: The unraveling of the American global order*. Oxford University Press.
- Farrell, H., & Newman, A. L. (2019). Weaponized interdependence: How global economic networks shape state coercion. *International Security*, 44(1), 42–79. https://doi.org/10.1162/isec_a_00351
- Freeman, C., & Tugendhat, H. (2023). Why China is rebooting the Belt and Road Initiative. United States Institute of Peace. <https://www.usip.org/publications/2023/10/why-china-rebooting-belt-and-road-initiative>
- Huang, Y. (2016). Understanding China's Belt and Road Initiative: Motivation, framework, and assessment. *China Economic Review*, 40, 314–321. <https://doi.org/10.1016/j.chieco.2016.07.002>
- Li, B. (2024). The impact of the Belt and Road Initiative on green innovation. *Environmental Science*, 10(1), 1323888.
- Ni, J. (2024). A decade of the Belt and Road Initiative and its global impact. *Asian Journal of Comparative Politics*, 10(1), 1–15. <https://doi.org/10.1177/20578911231178567>
- Rolland, N. (2019). China's Eurasian century? Political and strategic implications of the Belt and Road Initiative. National Bureau of Asian Research. <https://www.nbr.org/publication/chinas-eurasian-century/>
- Summers, T. (2016). China's "New Silk Roads": Sub-national regions and networks of global political economy. *Third World Quarterly*, 37(9), 1628–1643.



<https://doi.org/10.1080/01436597.2016.1153313>

- Strange, S. (1988). *States and markets*. Pinter Publishers.
- Teo, S., Kharas, H., & Lee, C. (2019). Environmental and social impacts of the Belt and Road Initiative. *Global Policy*, 10(S1), 22–31. <https://doi.org/10.1111/1758-5899.12757>
- Elish, E., & Zhang, W. (2024). *Assessing the ecological footprint: Environmental implications of China's Belt and Road Initiative*. *Nature Communications*. <https://www.nature.com/articles/s41599-024-03401-x>
- Yang, Z., & Li, X. (2025). *Environmental-social-economic synergy of China's Belt and Road Initiative: A comprehensive analysis*. *Science of the Total Environment*, 786, 147-159. <https://www.sciencedirect.com/science/article/abs/pii/S0921344924006293>
- Zhou, C., & Wang, H. (2025). *The impact of the Belt and Road Initiative on international consumption risk sharing*. *Journal of International Economics*, 130, 1-14. <https://www.sciencedirect.com/science/article/abs/pii/S2110701724000854>
- Zhang, J., & Liu, Z. (2023). *How does the Belt and Road Initiative affect the carbon emissions of cities along the routes?* *Frontiers in Environmental Science*, 10, 1066122. <https://www.frontiersin.org/journals/environmental-science/articles/10.3389/fenvs.2022.1066122/full>
- Cui, F., & Zhang, L. (2025). *How the Belt and Road Initiative is transforming corporate social responsibility practices*. *Sustainability*, 17(8), 3700. <https://www.mdpi.com/2071-1050/17/8/3700>
- Cao, Y., & Li, J. (2022). *Impact of the Belt and Road Initiative on economic-social-natural ecological niches: A longitudinal study*.



Frontiers in Environmental Science, 9, 913928.

<https://www.frontiersin.org/journals/environmental-science/articles/10.3389/fenvs.2022.913928/full>

- **McBride, J., Berman, N., & Chatzky, A. (2019).** *China's Massive Belt and Road Initiative: Opportunities and Challenges.* Council on Foreign Relations. <https://www.cfr.org/backgroundunder/chinas-massive-belt-and-road-initiative>