



MAY 2020

GLOBAL PANDEMIC: CORONAVIRUS AND GLOBAL DISORDER

# The BRI in Post-Coronavirus South Asia

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As the coronavirus pandemic advanced in South Asia in late March, the Chinese ambassador in Kathmandu [tweeted](#) about medical aid to Nepal, promising, “You will never be alone.” Gathering many retweets and messages of thanks, the message reflected the People’s Republic of China’s (PRC) attempt to garner global appreciation for its healthcare aid and medical assistance efforts. Because [research](#) indicates that it may be months before the outbreak is under control, it is likely that members of the Belt and Road Initiative (BRI) and other states will require improved public health capabilities. For China, which has wanted to shape global public health governance as part of the BRI, this is an opportunity. As early as 2015, Beijing [asserted](#) the need to “increase China’s voice and influence in multilateral health governance” through “health cooperation in BRI countries.” Now, the Health Silk Road—a little-remembered component of China’s BRI—has been dusted off and relaunched.

This is not to suggest that the BRI will be only about healthcare once the pandemic recedes. Nevertheless, as the world faces slow economic growth as well as

newly important health priorities, for China to keep its flagship global project active will require redistribution of scant capital to accommodate public health projects alongside ambitious infrastructure ones. China also needs a larger health initiative in the BRI for its own reasons. Blamed worldwide for obfuscating and hiding information on the virus, it views health diplomacy as an effective countermeasure. As China has [already signaled](#), it wants to emerge from the current episode with a narrative that paints it not as a negligent member of the global community, but as a leader in global health; it wants to garner greater support for reorganizing international institutional systems; and it wants newer markets for its healthcare products and services, traditional and modern.

## IS THE BRI ON HOLD?

For now, BRI projects around the world are at a near standstill. In South Asia, the [Payra power plant](#) in southern Bangladesh and the [Port City development project](#) in western Sri Lanka have been delayed, as have



various projects along the [China-Pakistan Economic Corridor](#), partly due to the disruption in the supply of Chinese labor and equipment. Most importantly, however, once the virus is under control, China's financial priorities and those of BRI members are likely to change significantly. China's GDP [contracted by 6.8 percent](#) in the first quarter of 2020—the first such diminution since Deng Xiaoping opened the country to economic reform in 1978. With a slowdown already underway, Beijing is being [careful about new investments](#). It is likely to prioritize [mitigating the financial impact](#) of the virus and [resolving the trade war](#) with the United States over rolling out new overseas infrastructure projects. Similarly, the pandemic will leave its mark on South Asian economies. In April, the World Bank estimated [1.8 to 2.8 percent](#) growth in the region, a figure that is already being [considered too optimistic](#).

While BRI projects may not be shelved, they will most certainly be plagued by [delays](#). China is already facing requests for debt relief. In South Asia, the Maldives has sought to [renegotiate](#) its debt to China while Bangladesh has requested China to consider [deferring](#) payments. The coming months are likely to see a falling appetite for new loans, casting uncertainty on planned projects.

## KEEPING BRI ALIVE THROUGH HEALTHCARE

While exact [funding details of BRI projects](#) are unclear, Chinese state-owned companies bear a significant part of the investment, with partner companies in BRI countries and lenders providing the rest. If shrinking capital requires the PRC to [trim BRI projects](#), healthcare investment may offer a more cost-effective way to reach partner countries. As an indication of how it will overhaul the BRI after the coronavirus, China has reinvigorated the [Health Silk Road](#). Though aid under the proposal has been limited to Europe so far, South Asia has benefited from its share of Chinese medical

assistance. The PRC has [donated](#) testing kits, personal protective equipment, masks, and medical supplies to Bangladesh, the Maldives, Nepal, Pakistan, and Sri Lanka. It has also extended a \$500 million loan to Sri Lanka and sent a [team of experts](#) to Bangladesh to treat patients and train medical professionals in the country. In Pakistan, China is building a [makeshift hospital](#) in addition to [supplying ventilators](#).

Like in the rest of the world, the current crisis has exposed shortcomings in South Asia's public healthcare capacities. There is every possibility that when these countries talk about infrastructure next, they will mean hospitals and laboratories along with ports and highways. For China, this will be an opportunity to implement a version of the Health Silk Road in the subcontinent as well.

But can China deliver in the field of healthcare? Its only large-scale international exposure to public health intervention so far has been in Africa, where it gave out \$6 billion in grants to [more than 500 projects](#) between 2000 and 2013. Most of these were aimed at providing infrastructure, equipment, and medicine, or in sending medical teams to different countries. Over three-fourths of the projects were implemented by government agencies in the respective countries. Chinese doctors [recently claimed](#) that “using only 5% of the world's health resources, China successfully meets the health demands of 20% of the world's population.”

Attempts to develop public health infrastructure, of course, only work when countries have the capital to pay for them. China's recent \$500-million “[urgent financial assistance](#)” to Sri Lanka, with an extraordinarily long maturity period and a built-in grace period, could be one way to do that. The China-led Asian Infrastructure Investment Bank has already [instituted a \\$10 billion fund](#) for public and private sector entities in member countries. As in [Italy](#), China may even encourage cash-strapped states to agree to fund these BRI projects

with capital from Beijing-backed sources. The New Development Bank or the BRICS bank [is also being roped in](#) for the purpose.

## WHAT'S IN IT FOR THE PEOPLE'S REPUBLIC?

A [commentary](#) in the *People's Daily* referencing the PRC's global attempts in fighting the coronavirus offered a peek at the PRC's aims: "The building of a community of common health for mankind . . . [and] perfecting of global public health governance and improving medical and health care of the world." Stripped of euphemism, this indicated three immediate goals, outlined below.

### To Build the Narrative of a Global Health Leader

China's immediate and global objective has been to control the narrative about its role in the pandemic. What began as a strategy dubbed [mask diplomacy](#), with China rushing medical supplies to countries all over the world, has evolved into so-called [wolf warrior diplomacy](#)—the use of social media and communication channels to defend the PRC's image. China has consistently pushed the official line that it has been [transparent, open, and comprehensive](#) in dealing with the pandemic, "buying precious time for the global response." In South Asia, the attempt has elicited mixed responses. [India rejected Chinese rapid test kits](#) and [Nepal](#), too, was skeptical, deciding to test the kits before use. Pakistan, expectedly, has been effusive, even sending its [president to Beijing](#) to show support at the peak of the pandemic.

### To Redraw International Institutions

The pandemic has allowed China to advance a key BRI objective of redrawing international institutional mechanisms, this time in public health. The World Health Organization (WHO) has been enthusiastic about a China-led Health Silk Road for a long time. At

the 2017 Belt and Road Forum for Health Cooperation, WHO Director General [Tedros Adhanom declared](#), "if we are to secure the health of the billions of people represented here, we must seize the opportunities the Belt and Road Initiative provides."

More immediately, the coronavirus has created an opportunity for China to work directly with countries on equipment, expertise, and capital, demonstrating that it can carry the burden by itself. All this is in preparation for an alternative to the WHO, tied to the Health Silk Road—one that [swaps the WHO's multilateral model](#) for "a hub-and-spoke organism . . . China at the center, with multiple bilateral arms extending outwards," as scholar Nadège Rolland described. In South Asia, this means Bangladesh, Nepal, Pakistan, and Sri Lanka can benefit from Chinese expertise.

### To Find Newer Markets

Investing in global healthcare offers China the opportunity to recover some returns from investments while keeping the BRI active. BRI partner countries will be the new incubators for PRC's healthcare systems and technology. China's National Health Commission has had an [exhaustive plan](#) for the global rollout of the Health Silk Road since 2017. It lists cooperation in eight fields, outlining thirty-eight projects on identification, prevention and control of diseases, capacity building, health development aid, and funding infrastructure development. China also intends to provide diagnostic and treatment equipment and to corner the pharmaceutical market. This will build on current offers such as building a field hospital in Pakistan or sending experts to Bangladesh.

Chinese contact tracing apps bundled with e-medicine apps, tools for quarantine, and statistics for authorities could become ubiquitous in BRI member countries. China can also share advances in gene-based research in biomedical technology or synthetic biology. Collaborations on telemedicine will need real-time

communication, which opens opportunities for Chinese telecom companies; South Asian states, except India, have been enthusiastic about Chinese 5G services.

## THE WAY AHEAD

In South Asia, which features most closely in India's strategic calculus, it has been active in ameliorating the pandemic's effects. It [helped evacuate overseas nationals](#) from Bangladesh, the Maldives, Nepal, and Sri Lanka using its commercial and military aircraft. Using a [regional fund](#) initiated to tackle the pandemic, India has supplied medicines and equipment to its neighbors, promising more if needed. Beyond the neighborhood, [India joined](#) New Zealand, South Korea, and Vietnam to collaborate and synergize actions against the virus. Despite these initiatives, it is too early to gauge how successfully China's strategic competitors will be able to contest its outreach. For now, excess manufacturing capacity and first mover's advantage are helping the PRC ramp up healthcare assistance.

The other consideration that states benefiting from Beijing's largesse will eventually have to contend with is that of China's quid pro quo expectations. If the current project bears any similarity to the PRC's existing model of providing public health assistance, it comes with economic and political conditions attached. In Africa for example, recognition of the PRC over Taiwan has often [accompanied](#) promises of medical assistance.

Other asks include preferential market access and exporting the ideology of "socialist experience and proletarian internationalism."

As it stands, countries in South Asia seem to have few immediate alternatives to scale up their healthcare sectors. In a financially precarious post-pandemic scenario, the success of China's strategy will ultimately depend on how quickly Beijing can roll out its Health Silk Road and what it plans to offer.

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*The authors want to thank Suchet Vir Singh at Carnegie India for his research support.*

## NOTES

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