

Belt and Road Initiative: a Chinese Marshall plan?

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Abstract

Nowadays, the most important long-term plan proposed by China is the Belt and Road Initiative, that comprehends projects in many different fields, related to the foreign, but also to the domestic policies. This initiative is quite impressive in its ambition, its diversity, the number of countries and the resources involved. Due to the lack of organized information, there are not yet so many academic researches about it. Nevertheless, all over the world, the media is discussing this strategy and in some debates the Belt and Road Initiative is compared to the Marshall Plan – implemented by the USA after World War II –, since it also involves the provision of funds to many countries in the world.

This paper aims therefore to contribute to the discussions by developing a comparative analysis of the Belt and Road Initiative and the Marshall Plan. Comparisons between so different countries and historical moments require obviously extreme caution. Nevertheless, our hypothesis is that one may find similitudes between the initiatives regarding some of the motivations behind them.

The paper shows that the main differences between the plans regard the countries involved, the degree of acceptability and the diversity of projects covered by the initiative. The main similarities are the will of fostering the international trade, the necessity of the proponent countries to stimulate their own national economies, the effort to conjugate public resources with a stimulus for the private agents to get also involved in the initiative, the consequent (intentional or not) reduction in the importance of the multilateral institutions' loans and the effort to facilitate the internationalization of their domestic currencies (US dollar and Chinese RMB).

In conclusion, the paper argues that behind the rhetoric of the international benefits deriving from the plans, they aim also to deal with national economic and geopolitical wills of the proponent countries. More than that – and here we come to the most important similarity, that explain all others –, the plans respond to a historical necessity inherent to all powerful market economies: extroversion. The Chinese economic system is facing now what the US economy faced in the 1940-50s: a necessity to increase its connection to the globe. This is not related to cultural aspects, political traditions or whatever. The main engine of this process is the historical necessity of capital to search for valorization in an unlimited way. It leads any country to a quest for low cost suppliers, markets for its products, places to stablish companies, agents willing to take credit, and so on. The transition to a market economy that is going on in China since 1978 reached a point in which this extroversion is necessary. After all, a market economy is extroversive by definition. The national economy's necessity for extroversion is therefore the key-element to understand the Marshall Plan, the Belt and Road Initiative and its similarities.

Keywords: Marshall Plan, Belt and Road Initiative, international trade, infrastructure, geopolitical power.

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