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What are drivers of and interests behind the planning of mega-infrastructures?

These are very complex because negotiations involve multiple actors both on the side of donors/funders and recipient countries. Focusing on the latter here, national-level governments frequently hatch ambitious development plans that also serve domestic political interests (and sometimes their own economic ones). Project design and selection may be prone to capture by any number of additional interest groups, especially in countries with weak governance capacity and legitimacy, rule of law, and media or civil society oversight. This can result in projects that are economically non-viable, unsustainable or highly politically controversial (with mega-projects particularly affected), but which yield concentrated benefits for elite interests. Technocratic approaches can improve this, but are equally problematic by putting decisions in the hands of small groups that may prioritize national interests over local ones. More inclusive regimes feature more complex negotiations at the domestic level, but can generate broader acceptance at the expense of slower progress.

What are the interests of international investors (state and non-state) in infrastructure and development corridors?

Focusing specifically on China and the BRI here, it is a mixture of economic, domestic political and strategic interests. Economically, the BRI is a tool to improve access to overseas resources and markets, export Chinese construction overcapacities, promote “going out” of Chinese enterprises, and internationalize the RMB. Politically, it is supposed to boost the development of landlocked regions in Western China, alleviate rationalization pressure on SOEs, serve as a continuation of China’s own growth model, and provide a coherent “national strategy” across multiple policy fields. Strategically, it is expected to re-center China as the hub of global trade, cultivate a group of friendly countries, reduce vulnerable logistical bottlenecks and (perhaps) build a framework for future military deployments. Notably, these motivations are not too different from that of other great powers creating overseas infrastructure networks. Non-state actors play a relatively minor role in the BRI as both the construction and finance sectors are dominated by SOEs, while other participants like think tanks, universities, media outlets etc. are also under direct state control.

How do international investors use infrastructure projects to forge peace?

That presupposes that peace is the primary motivation behind their construction, which is probably not the case beyond specific reconstruction efforts. For the BRI, China and some of its partners have sought to promote it as a “road of peace”, which is supposed to yield a peace dividend through overall economic development and nation-building. This lines up with Chinese thought that conflicts are mainly rooted in economic deprivation, and that Chinese-style growth and modernization can pacify conflict-riven regions. “Development” is

seen as a supreme good capable of uniting former enemies, while there is little awareness of its politically contentious aspects. In practice, there is little indication that projects are chosen for their peace effects, and a mixture of economic and strategic considerations prevails. These can still yield peace-relevant effects like better living standards and amenities, job and education opportunities, more interactions between different groups, and state capacity-building, but differential provision of these benefits is often problematic (see below).

How do international investors respond to conflict risks or ongoing (armed) conflicts in project regions?

As far as China is concerned, conflict risks did not deter investments in highly unstable countries under the BRI. The initial years saw massive investments in places like Pakistan, Nigeria, and more recently Myanmar. Regulatory frameworks are supposed to assess conflict risks, but in practice appear to concentrate mostly on potential reputation damages for China. As a result, Chinese overseas investments are seriously overexposed to conflicts, and policy is playing catch-up. Normative considerations like non-interference have so far restrained Chinese interventionism, but this principle is being increasingly hollowed out, with more direct Chinese involvement in security efforts, counterterrorism, capacity-building and technology-sharing, overseas military deployments and peacekeeping, private security services, diplomatic mediation efforts and public relations work. The need to protect Chinese citizens and capital is likely to be a prominent driver of future developments in Chinese foreign and security policy.

To what extent do infrastructure projects contribute to existing conflicts and add new conflict dynamics?

Infrastructure projects often have concentrated benefits and negative externalities that affect (former) conflict parties differently. Distribution conflicts are common, especially in countries where trust in governments is low, there is a history of ethnic favoritism or center-periphery tensions, and bureaucratic decisions are prone to corruption and elite capture. Infrastructure is also contentious because it requires land purchases or large-scale resettlement and has a very locally concentrated environmental impact, which means adverse social and environmental effects befall communities that may then not be among the beneficiaries of e.g. better electricity provision. Projects may be economically non-viable and benefit elites while harming public finances, and the terms of contracts with foreign investors can become contentious especially when these are not transparent. Partnering with illegitimate governments may cause international funders to be identified as their allies or even active conflict participants.

How do security arrangements for infrastructure projects impact on local conflict dynamics?

BRI projects in particular are secured by national-level governments and their militaries, which frequently have their own stakes in them. This results in a securitized approach to

development that considers the external environment, including local populations, as a potential threat to be managed or repressed. Security considerations outweigh local acceptance and stakeholder outreach, and regimes are implemented without regard to their effects on local livelihoods (many examples on this from Pakistan). Security establishments can use infrastructure projects to pursue their own economic and strategic interests, increasing their own political influence, undermining civilian control and ultimately government legitimacy.

PSCs are so far a relatively minor factor in securing BRI projects, but this is likely to grow where local efforts prove inadequate, setting up another potential conflict between locals and outsiders.