

Bangladesh-China-India-Myanmar (BCIM) Economic Corridor in the Context of the ‘Belt & Road’ Initiative

Saleh Mohammed Shahriar Lu Qian*

College of Economics and Management, Northwest A & F University, Yangling, Shaanxi 712100, The People’s Republic of China

Abstract

This study is designed to address the following the question: what are the problems and prospects of the Bangladesh-China-India-Myanmar(BCIM) Economic Corridor? This paper is a timely research effort, because the BCIM economic corridor has special economic and geopolitical implications in the context of China’s global emergence. Various Studies suggest that the economic rise of China is a global reality. Therefore, there are enormous potentials in developing cooperative relations and investment atmosphere for greater regional integration. The successful operation of the corridor might bring about positive socioeconomic changes in regional trade integration, production networks, supply chains, connectivity, and living standards of the people. The future of the BCIM Economic Corridor depends largely on how the regional economic players operate within the system and follow the global norms of behaviors. China’s ‘One Belt, One Road’ Initiative created opportunities and ground for South Asian as well as South East Asian economic integration

Keywords: Belt & Road Initiative(一带一路), BCIM Economic Corridor, China’s Global Rise, Regional Integration, Connectivity.

1. Introduction

China is an emerging economic powerhouse in the world. The rise of China is a globally recognized fact in the 21st century. The Asian Development Bank(ADB) predicts that Asia’s rise will be led by China, India, Indonesia, Japan, Republic of Korea, Malaysia, and Thailand. The rapid rise of Asia, often termed as the ‘Asian Century’, has been one of the most successful stories in the world economic history (Asia 2050, ADB). China is the leading Asian country that achieved rapid economic expansion. China’s GDP grew at an average rate of 10.5% in the first decade of the new millennium, and China’s share of world GDP doubled from 7.5% to 15% between 2001 and 2012(Wang,2017; p.595). In 1978, China was one of the poorest countries in the world. In 2007, China even surpassed the USA to become the second largest exporter of merchandise (Xu, 2010). At present, it is the second largest economy in the world. In fact, the pace and scale of its economic transformation have no historical precedent (Zhu, 2012). China, being a developing country, can realize its goals of development by raising its share of world’s total exports and trade. China’s rise is a new, recent phenomenon. ‘The decline of the United States and the rise of China has become more apparent since the 2008 global financial crisis’ (Feng & Peng, 2015). Researchers and policy makers around the globe are hugely interested in finding out the internal and external factors or determinants behind the global rise of China and its possible consequences. Its export-led economic strategy played a key role in the development of Chinese miraculous growth engine. China has become a shining model of globalization. Since 2002, when China acceded to the World Trade Organization (WTO), China’s performance has been even more spectacular.

China has pioneered many innovative approaches, proposals, and initiatives to advance the causes of regional economic cooperation and global development of late. One of China’s such remarkable efforts is the One Belt, One Road Initiative (OBOR). The OBOR Initiative attracted worldwide attentions.

2. Problem Statement

Academic literature on the different aspects and issues of the BCIM economic corridor is limited. Das et al. (2013), Bhatia et al. (2015), Rana et al. (2012) published research works on the issues of BCIM economic corridor. Therefore, there is ample opportunity to have a closer look at the problems and prospects of the Bangladesh-China-India-Myanmar Economic Corridors from geopolitical and economic perspectives. The objective of this paper is to identify the benefits, economic advantages, problems and prospects of the BCIM economic corridor to fill the gap in the existing body of literature. The study is mainly based on secondary data sources; such as books, articles, journals, reports, magazines, and newspapers. Data have also been collected from the World Development Indicators(WDI) Database of the World Bank, the United Nations Development Programmes and the International Monetary Fund.

The paper is organized into six sections. Following introduction, section two will specify the research objectives and methodology. Section three will focus on the socioeconomic aspects of the study in the context of the limitations of the previous works. The OBOR Initiative is analyzed in details in the next sections. The problems are identified and explained in the fifth sections. Finally, section six summarizes the key findings and notes future implications.

3. Socioeconomic Profile of Countries along the BCIM Economic Corridors

World Development Outlook 2017 has recently projected that China's growth is expected to remain at 6.7 percent in 2017, the same level as in 2016, and to decline only modestly in 2018 to 6.4 percent. (p.17). China is a country that has a long history and traditions of almost five thousand years. The 1949 cultural revolution brought about radical structural changes in the Chinese society, politics, culture, and economy as well. China gone through a continuous process of reforms since 1978 as Deng Xiaoping took a series of programmes to strengthen the fields of agriculture, industry, defense and science and technology. His programme is known as 'Four Modernization'. It is interesting to note that in the 1970s the Chinese Socialist political elites under the 'Gang of Four' refused to accept foreign investment, foreign aid or foreign load. But the situation altered after the fall of the Gang of Four and the rise of reformists. Thus, China shifted from Closed Door Policy to opening up to the outside world after rapprochement with the United States in 1971. Socioeconomic profiles of these four countries are summarized in Table 1, 2,3& 4.

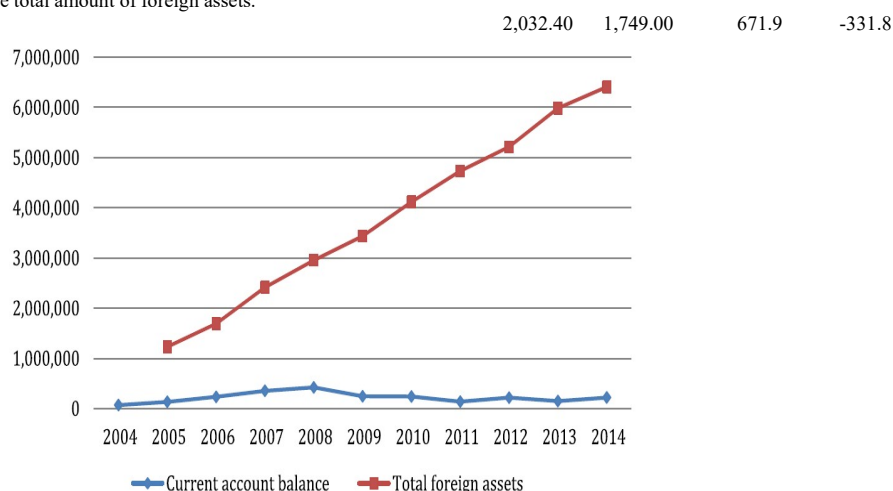
Table 1: Socioeconomic profile of China

Variables	1990	2000	2010	2016
Population, total (millions)	1,135.19	1,262.65	1,337.71	1,378.67
Population growth (annual %)	1.5	0.8	0.5	0.5
Surface area (sq. km) (thousands)	9,563.00	9,562.90	9,562.90	9,562.90
Population density (people per sq. km of land area)	120.9	134.5	142.5	146.9
Poverty headcount ratio at national poverty lines (% of population)	..	..	..	..
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)	66.6	40.5	11.2	1.9
GNI, Atlas method (current US\$) (billions)	374.11	1,181.55	5,810.91	11,393.57
GNI per capita, Atlas method (current US\$)	330	940	4,340	8,260
GNI, PPP (current international \$) (billions)	1,122.93	3,658.90	12,431.61	21,366.06
GNI per capita, PPP (current international \$)	990	2,900	9,290	15,500
People				
Income share held by lowest 20%	..	..	5.2	..
Life expectancy at birth, total (years)	69	72	75	76
Fertility rate, total (births per woman)	2.4	1.5	1.6	1.6
Adolescent fertility rate (births per 1,000 women ages 15-19)	20	9	8	7
Contraceptive prevalence, any methods (% of women ages 15-49)	85	84	89	..
Births attended by skilled health staff (% of total)	94	97	100	100
Mortality rate, under-5 (per 1,000 live births)	54	37	16	11
Prevalence of underweight, weight for age (% of children under 5)	12.6	7.4	3.4	..
Immunization, measles (% of children ages 12-23 months)	98	84	99	99
Primary completion rate, total (% of relevant age group)	103	52	110	92
School enrollment, primary (% gross)	129.7	107.4	112.5	104.1
School enrollment, secondary (% gross)	37	61	85	94
School enrollment, primary and secondary (gross), gender parity index (GPI)	1	1	1	1
Prevalence of HIV, total (% of population ages 15-49)	..	..	..	..
Environment				
Forest area (sq. km) (thousands)	1,571.40	1,770.00	2,006.10	2,083.20
Terrestrial and marine protected areas (% of total territorial area)	12.4	14.2	..	15.6
Annual freshwater withdrawals, total (% of internal resources)	17.8	18.7	21	21.6
Improved water source (% of population with access)	67	80	91	96
Improved sanitation facilities (% of population with access)	48	59	71	77
Urban population growth (annual %)	4.3	3.6	3.3	2.6
Energy use (kg of oil equivalent per capita)	767	899	1,955	2,237
CO2 emissions (metric tons per capita)	2.15	2.7	6.56	7.54
Electric power consumption (kWh per capita)	511	993	2,944	3,927
Economy				
GDP (current US\$) (billions)	360.86	1,211.35	6,100.62	11,199.15
GDP growth (annual %)	3.9	8.5	10.6	6.7
Inflation, GDP deflator (annual %)	5.7	2.1	6.9	1.2
Agriculture, value added (% of GDP)	27	15	10	9
Industry, value added (% of GDP)	41	46	46	40
Services, etc., value added (% of GDP)	32	40	44	52
Exports of goods and services (% of GDP)	14	21	26	20
Imports of goods and services (% of GDP)	11	19	23	17
Gross capital formation (% of GDP)	35	34	48	45
Revenue, excluding grants (% of GDP)	..	..	11.2	15.8
Net lending (+) / net borrowing (-) (% of GDP)	..	..	..	..
States and markets				
Time required to start a business (days)	..	48	38	29
Domestic credit provided by financial sector (% of GDP)	88.4	118.4	142.2	215
Tax revenue (% of GDP)	..	..	10.2	9.7
Military expenditure (% of GDP)	2.6	1.9	1.9	1.9
Mobile cellular subscriptions (per 100 people)	0	6.7	63.2	96.9
Individuals using the Internet (% of population)	0	1.8	34.3	53.2
High-technology exports (% of manufactured exports)	6	19	28	26
Overall level of statistical capacity (scale 0 - 100)	..	..	66	83
Global links				

Merchandise trade (% of GDP)	32	39	49	33
Net barter terms of trade index (2000 = 100)	102	100	82	94
External debt stocks, total (DOD, current US\$) (millions)	55,301	145,666	734,465	1,418,291
Total debt service (% of exports of goods, services and primary income)	11.7	13.1	3	4.7
Net migration (thousands)	-764	-2,030	-1,698	..
Personal remittances, received (current US\$) (millions)	196	758	13,636	35,226
Foreign direct investment, net inflows (BoP, current US\$) (millions)	3,487	42,095	243,703	170,557
Net official development assistance received (current US\$) (millions)				

Source: Compiled by the author, World Development Indicators database, accessed September 16, 2017

China is a major center of international trade and investment. Figure 1 shows the China's current balance and the total amount of foreign assets.



Source: Xingye Jin, David Daoukui Li and Shuyu Wu, "How Will China Shape the World Economy?" *China Economic Review*, 40 (2016), P. 277.

Figure 1: China's current account balance and total holding of foreign assets (in million \$)

Table 2: Socioeconomic profile of Bangladesh

Variables	1990	2000	2010	2016	
Population, total (millions)		106.19	131.58	152.15	162.95
Population growth (annual %)		2.5	2	1.1	1.1
Surface area (sq. km) (thousands)		148.5	148.5	148.5	147.6
Population density (people per sq. km of land area)		815.8	1,010.80	1,168.80	1,251.80
Poverty headcount ratio at national poverty lines (% of population)	..		48.9	31.5	..
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)		44.2	33.7	18.5	..
GNI, Atlas method (current US\$) (billions)		32.62	55.71	118.31	216.29
GNI per capita, Atlas method (current US\$)		310	420	780	1,330
GNI, PPP (current international \$) (billions)		90.17	176.81	393.64	617.09
GNI per capita, PPP (current international \$)		850	1,340	2,590	3,790
People					
Income share held by lowest 20%		9.6	8.7	8.9	..
Life expectancy at birth, total (years)		58	65	70	72
Fertility rate, total (births per woman)		4.5	3.2	2.3	2.1
Adolescent fertility rate (births per 1,000 women ages 15-19)		154	112	89	83
Contraceptive prevalence, any methods (% of women ages 15-49)		40	54	61	62
Births attended by skilled health staff (% of total)	..		12	27	42
Mortality rate, under-5 (per 1,000 live births)		144	88	50	38
Prevalence of underweight, weight for age (% of children under 5)		61.5	42.3	36.8	32.9
Immunization, measles (% of children ages 12-23 months)		65	74	88	94
Primary completion rate, total (% of relevant age group)		46	..	66	98
School enrollment, primary (% gross)		81	..	102.7	120.4
School enrollment, secondary (% gross)		20	48	50	64
School enrollment, primary and secondary (gross), gender parity index (GPI)		1	..	1	1
Prevalence of HIV, total (% of population ages 15-49)		0.1	0.1	0.1	0.1
Environment					
Forest area (sq. km) (thousands)		14.9	14.7	14.4	14.3
Terrestrial and marine protected areas (% of total territorial area)		0.6	3.2	..	3.4
Annual freshwater withdrawals, total (% of internal resources)	34.2	34.2
Improved water source (% of population with access)		68	76	84	87
Improved sanitation facilities (% of population with access)		34	45	56	61

Urban population growth (annual %)	4.9	3.6	3.6	3.3
Energy use (kg of oil equivalent per capita)	120	139	201	222
CO2 emissions (metric tons per capita)	0.15	0.21	0.39	0.46
Electric power consumption (kWh per capita)	48	101	240	310
Economy				
GDP (current US\$) (billions)	31.6	53.37	115.28	221.42
GDP growth (annual %)	5.6	5.3	5.6	7.1
Inflation, GDP deflator (annual %)	6.5	3.4	7.1	6.7
Agriculture, value added (% of GDP)	33	24	18	15
Industry, value added (% of GDP)	21	23	26	29
Services, etc., value added (% of GDP)	47	53	56	56
Exports of goods and services (% of GDP)	6	12	16	17
Imports of goods and services (% of GDP)	13	17	22	21
Gross capital formation (% of GDP)	16	24	26	30
Revenue, excluding grants (% of GDP)	..	8.6	9.7	9.8
Net lending (+) / net borrowing (-) (% of GDP)	..	-0.6	-0.8	-1.3
States and markets				
Time required to start a business (days)	..	58	27	20
Domestic credit provided by financial sector (% of GDP)	21.6	30.2	57.4	60.6
Tax revenue (% of GDP)	..	6.6	7.8	8.5
Military expenditure (% of GDP)	1.2	1.4	1.4	1.4
Mobile cellular subscriptions (per 100 people)	0	0.2	44.9	77.9
Individuals using the Internet (% of population)	0	0.1	3.7	18.2
High-technology exports (% of manufactured exports)	0	0	0	..
Overall level of statistical capacity (scale 0 - 100)	..	..	69	74
Global links				
Merchandise trade (% of GDP)	17	29	41	35
Net barter terms of trade index (2000 = 100)	117	100	61	67
External debt stocks, total (DOD, current US\$) (millions)	12,292	15,603	26,881	38,640
Total debt service (% of exports of goods, services and primary income)	34.2	10.6	5.1	4.1
Net migration (thousands)	-798	-1,541	-2,526	..
Personal remittances, received (current US\$) (millions)	779	1,968	10,850	13,680
Foreign direct investment, net inflows (BoP, current US\$) (millions)	3	280	1,232	3,380
Net official development assistance received (current US\$) (millions)	2,092.80	1,174.30	1,404.60	2,570.20

Source: : Compiled by the authors, World Development Indicators Database, The World Bank.

Table 3: Socioeconomic profile of Myanmar

Variables	1990	2000	2010	2016
Population, total (millions)	40.63	46.1	50.16	52.89
Population growth (annual %)	1.5	1.2	0.7	0.9
Surface area (sq. km) (thousands)	676.6	676.6	676.6	676.6
Population density (people per sq. km of land area)	62.2	70.5	76.8	81
Poverty headcount ratio at national poverty lines (% of population)	..	..	..	..
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)	..	..	..	..
GNI, Atlas method (current US\$) (billions)	..	7.91	42.92	62.4
GNI per capita, Atlas method (current US\$)	..	170	860	1,190
GNI, PPP (current international \$) (billions)	19.52	47.72	182.82	265.76
GNI per capita, PPP (current international \$)	480	1,040	3,650	5,070
People				
Income share held by lowest 20%	..	..	..	..
Life expectancy at birth, total (years)	59	62	65	66
Fertility rate, total (births per woman)	3.5	2.9	2.4	2.2
Adolescent fertility rate (births per 1,000 women ages 15-19)	36	25	19	16
Contraceptive prevalence, any methods (% of women ages 15-49)	17	37	46	..
Births attended by skilled health staff (% of total)	46	57	71	60
Mortality rate, under-5 (per 1,000 live births)	110	82	59	50
Prevalence of underweight, weight for age (% of children under 5)	28.8	30.1	22.6	..
Immunization, measles (% of children ages 12-23 months)	68	84	88	91
Primary completion rate, total (% of relevant age group)	..	76	84	85
School enrollment, primary (% gross)	89.2	98.3	96.7	99.7
School enrollment, secondary (% gross)	19	36	48	51
School enrollment, primary and secondary (gross), gender parity index (GPI)	1	1	1	1
Prevalence of HIV, total (% of population ages 15-49)	0.1	0.8	0.9	0.8
Environment				
Forest area (sq. km) (thousands)	392.2	348.7	317.7	290.4
Terrestrial and marine protected areas (% of total territorial area)	1.7	2.1	..	4.1
Annual freshwater withdrawals, total (% of internal resources)	2.8	3.3	..	3.3
Improved water source (% of population with access)	59	67	78	81
Improved sanitation facilities (% of population with access)	54	62	77	80

Urban population growth (annual %)		2.1	2.4	2.4	2.5
Energy use (kg of oil equivalent per capita)		263	279	280	372
CO2 emissions (metric tons per capita)		0.11	0.22	0.25	0.42
Electric power consumption (kWh per capita)		45	76	125	217
Economy					
GDP (current US\$) (billions)	..		8.91	49.54	67.43
GDP growth (annual %)		2.8	13.7	9.6	6.5
Inflation, GDP deflator (annual %)		18.5	2.5	7	9.3
Agriculture, value added (% of GDP)	..		57	37	28
Industry, value added (% of GDP)	..		10	26	30
Services, etc., value added (% of GDP)	..		33	37	42
Exports of goods and services (% of GDP)	..		1	0	16
Imports of goods and services (% of GDP)	..		1	0	26
Gross capital formation (% of GDP)	..	..	..	..	..
Revenue, excluding grants (% of GDP)	..	..	..	..	..
Net lending (+) / net borrowing (-) (% of GDP)	..	..	..	..	..
States and markets					
Time required to start a business (days)	..	..		76	13
Domestic credit provided by financial sector (% of GDP)		39.6	31.2	25.2	37
Tax revenue (% of GDP)	..	..	..	..	..
Military expenditure (% of GDP)		3.4	2.3	3.7	4.1
Mobile cellular subscriptions (per 100 people)		0	0	1.1	89.3
Individuals using the Internet (% of population)		0	0	0.3	25.1
High-technology exports (% of manufactured exports)		0	..	0	..
Overall level of statistical capacity (scale 0 - 100)	..	..		52	56
Global links					
Merchandise trade (% of GDP)	..		45	27	41
Net barter terms of trade index (2000 = 100)		252	100	110	112
External debt stocks, total (DOD, current US\$) (millions)		4,684	5,875	8,217	6,401
Total debt service (% of exports of goods, services and primary income)		18.2	0.4	0	0.5
Net migration (thousands)		-700	-1,248	-474	..
Personal remittances, received (current US\$) (millions)		6	102	115	3,312
Foreign direct investment, net inflows (BoP, current US\$) (millions)		163	255	901	4,084
Net official development assistance received (current US\$) (millions)		160.8	105.6	354.9	1,168.50

Source: Compiled by the authors, World Development Indicators Database, The World Bank.

Table 4: Socioeconomic profile of India

Country Profile	1990	2000	2010	2016
World view				
Population, total (millions)	870.13	1,053.05	1,230.98	1,324.17
Population growth (annual %)	2.1	1.8	1.4	1.1
Surface area (sq. km) (thousands)	3,287.30	3,287.30	3,287.30	3,287.30
Population density (people per sq. km of land area)	292.7	354.2	414	445.4
Poverty headcount ratio at national poverty lines (% of population)	45.3	..	21.9	..
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of population)	45.9	..	21.2	..
GNI, Atlas method (current US\$) (billions)	330.07	460.78	1,507.91	2,220.04
GNI per capita, Atlas method (current US\$)	380	440	1,220	1,680
GNI, PPP (current international \$) (billions)	973.82	2,060.14	5,254.84	8,594.23
GNI per capita, PPP (current international \$)	1,120	1,960	4,270	6,490
People				
Income share held by lowest 20%	..	..	8.3	..
Life expectancy at birth, total (years)	58	63	67	68
Fertility rate, total (births per woman)	4	3.3	2.6	2.4
Adolescent fertility rate (births per 1,000 women ages 15-19)	99	67	36	23
Contraceptive prevalence, any methods (% of women ages 15-49)	45	47	55	..
Births attended by skilled health staff (% of total)	34	43	52	81
Mortality rate, under-5 (per 1,000 live births)	126	91	60	48
Prevalence of underweight, weight for age (% of children under 5)	59.5	44.4	..	29.4
Immunization, measles (% of children ages 12-23 months)	56	56	82	88
Primary completion rate, total (% of relevant age group)	65	72	93	98
School enrollment, primary (% gross)	91.8	94.6	109.2	108.6
School enrollment, secondary (% gross)	37	45	63	74
School enrollment, primary and secondary (gross), gender parity index (GPI)	1	1	1	1
Prevalence of HIV, total (% of population ages 15-49)	0.1	0.4	0.3	0.3
Environment				
Forest area (sq. km) (thousands)	639.4	653.9	697.9	706.8
Terrestrial and marine protected areas (% of total territorial area)	2.7	3	..	3.1
Annual freshwater withdrawals, total (% of internal resources)	34.6	42.2	52.6	52.6
Improved water source (% of population with access)	71	81	90	94
Improved sanitation facilities (% of population with access)	17	26	36	40

Urban population growth (annual %)	3	2.6	2.5	2.3
Energy use (kg of oil equivalent per capita)	351	419	563	637
CO2 emissions (metric tons per capita)	0.71	0.98	1.4	1.73
Electric power consumption (kWh per capita)	273	395	642	806
Economy				
GDP (current US\$) (billions)	316.7	462.15	1,656.62	2,263.52
GDP growth (annual %)	5.5	3.8	10.3	7.1
Inflation, GDP deflator (annual %)	10.7	3.6	9	3.6
Agriculture, value added (% of GDP)	30	24	19	17
Industry, value added (% of GDP)	32	31	32	29
Services, etc., value added (% of GDP)	38	45	49	54
Exports of goods and services (% of GDP)	7	13	23	19
Imports of goods and services (% of GDP)	9	14	27	21
Gross capital formation (% of GDP)	29	27	41	30
Revenue, excluding grants (% of GDP)	12.6	11.9	13.3	12.6
Net lending (+) / net borrowing (-) (% of GDP)	-3.4	-3.9	-3.5	-4.1
States and markets				
Time required to start a business (days)	..	123	30	26
Domestic credit provided by financial sector (% of GDP)	51.5	52.8	74.2	76.1
Tax revenue (% of GDP)	10.1	8.9	10.5	11
Military expenditure (% of GDP)	3.2	3	2.8	2.5
Mobile cellular subscriptions (per 100 people)	0	0.3	62.4	87
Individuals using the Internet (% of population)	0	0.5	7.5	29.5
High-technology exports (% of manufactured exports)	4	6	7	8
Overall level of statistical capacity (scale 0 - 100)	..	..	81	81
Global links				
Merchandise trade (% of GDP)	13	20	35	28
Net barter terms of trade index (2000 = 100)	86	100	93	104
External debt stocks, total (DOD, current US\$) (millions)	83,472	101,131	290,428	479,559
Total debt service (% of exports of goods, services and primary income)	33	17.1	6.8	10.9
Net migration (thousands)	-553	-1,951	-2,578	..
Personal remittances, received (current US\$) (millions)	2,384	12,883	53,480	62,745
Foreign direct investment, net inflows (BoP, current US\$) (millions)	237	3,584	27,397	44,009
Net official development assistance received (current US\$) (millions)	1,398.90	1,383.40	2,831.30	3,163.10

Source: Compiled by the authors, World Development Indicators Database, The World Bank.

Project Financing

According to an estimate by China, a total of \$ 6 trillion will be required for OBOR Initiative (Ayoma, 2016). A study reports that investment in OBOR at between 800 billion and 1 trillion US dollar, covering 890 projects in over sixty partner countries. (Cooley, 2016)

Initially, Silk Road Fund was created with \$ 40 billion with the contribution of the government of China. A new bank, namely; Asian Infrastructure Investment Bank (AIIB) is created with a view to funding infrastructure projects. Figure 2 shows the contribution of Silk Road Fund.



Source: Xinhua net, 16 February, 2015.

Figure 2: Contributions to the Silk Road Fund

4.1. The One Belt, One Road Initiative

The present OBOR Initiative is a revival of the ancient silk road. The silk road is an extensive transcontinental network of different trade routes which were established during Han Dynasty to link China to different parts for silk trade. Chinese Silk was largely trade to the different parts of the world. In 987 emperors sent four delegations to South Asian countries to encourage foreign trade activities and they offered special licenses to foreign merchants. Maritime trade reached its peak during Sun Dynasty and huge number of tariffs were added

into the imperial revenue. At that time silk, cotton, and paper were the main commodities traded on the silk route. The concept of a Silk Road was initially put forward by the German scholar Ferdinand von Richthofen in 1877. The ancient silk route was mainly the Northern Route and the Southern Route and developed later as maritime route. The Southwestern Route was not the main route but it also played an important role.

4.2. Ancient Silk Route

4.2.1. The Northern Route: The Northern Route of the Ancient Silk Road started from the Capital of Han Dynasty, Chang'an (modern day Xian, the capital of northwestern Shaanxi Province), reaching towards ancient kingdoms of Persia, Prathia, Rome, and Bactria to facilitate military movements, trade and cultural exchanges. Tang Dynasty (618-960 A.D) played important role to the development of the Northern Trade Route.

4.2.2. The Southern Route: It was a route crossing through Karakoram mountains and Hindu Kush mountains to connect Kushan Empire (modern day Pakistan) with ancient China. It was the center of trade, religion and cultural activities across the Indus River. It was connected to Mediterranean Sea and Persian Gulfs.

4.2.3. Southwestern Route: Ganges/Brahmaputra Delta contributed to the development of this Route of Ancient Tea Horse Trade. It was expanded to Southeast and south Asian countries for trade. During the 12th century this route was used to ship gold and silver from China's Yunnan region to Bangladesh

4.2.4. Maritime Routes: Sea Route was developed by Emperor Wu-Ti and sent native ships loaded with silk to Malay Peninsula for selling. It was a big success and later Greeks and Indian traders worked as middlemen. Coastal trade was developed during the Tang Dynasty and later Sun Dynasty took steps to develop the Chinese ports to facilitate trade.

4.3. China's New Grand Global Strategy: One Belt, One Road Initiative

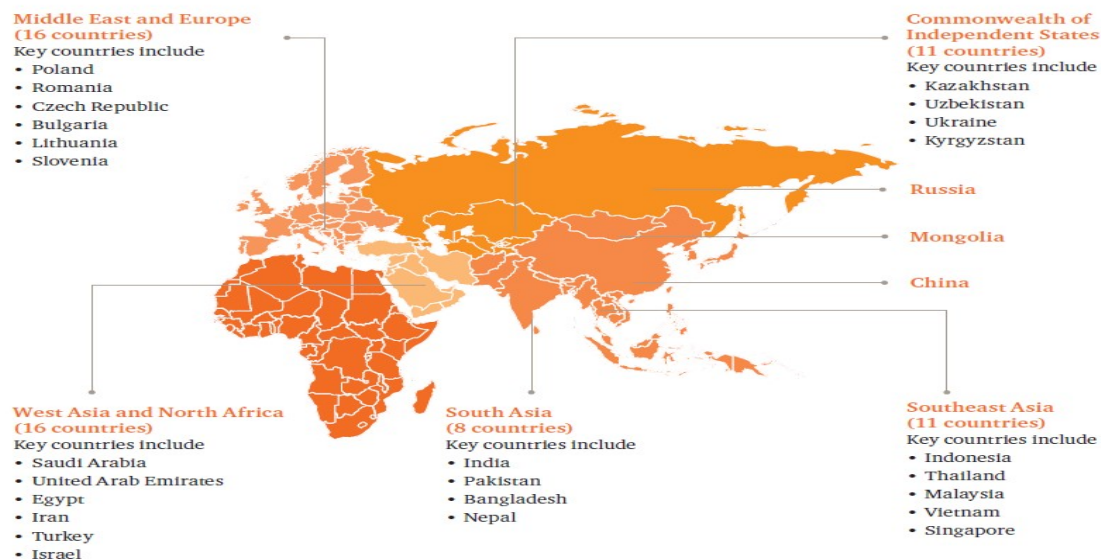
China has used a very Chinese concept –the One Belt, One Road-to demonstrate its intellectual properties. The One Belt, One Road Initiative is one of the most important projects that China has undertaken both on the international and domestic national fronts. The Silk Road Economic Belt was first announced in President Xi Jinping's speech in September 2013 at Nazarbayev University in Kazakhstan on September 7, 2013. Subsequently, in a speech at the Indonesian parliament on October 3 in the same year, he proposed a twenty-first century Maritime Silk Road. The two announcements from two places of the world, one located in Central Asia that saw the famed Silk Road traversing the region and the other in Southeast Asia that constituted the tri-junction of South China Seas, East China Seas, and the Indian Ocean maritime trading zone, are hugely symbolic. It seeks to herald to the world China's ambitious plan to reemerge as the nerve centers of the world's trade and commerce, both at land and sea (Bhattacharya,2016). A central component of Xi's dream is OBOR project, one of his highest priorities. The new leadership in China has a clear set of policy priorities for politics, economics, and international affairs that comprise what Xi terms the "China Dream" and the "rejuvenation of the Chinese nation." President Xi Jinping has outlined several priorities, including increased Communist party control over state and society; the promotion of traditional Chinese culture; the importance of Marxism as a guiding principle; historical revisionism and censorship; the promotion of nationalism; and the pursuit of a national anti-corruption campaign. Under Xi's leadership, it is clear that Deng Xiaoping's doctrine of "hiding one's capabilities and biding one's time" (韬光养晦, tao guang yang hui) and as a result keeping a low profile and not claiming leadership has been replaced by Xi's desire to bring about a more active international role and economic integration.

The Belt & Road project is a long term grand strategy involving an area that covers 55% of World GNP, 70% global population and 75% of known energy reservoirs. It is both an all-round opening-up strategy and an international cooperation proposal and public goods under the principles of wide consultation, joint contribution and shared benefits, aimed at establishing a community of common interest, common responsibility and common destiny with the 4.4 billion people in 65 countries of Europe, Asia and Africa along the route (Table 5 & Figure 3).

Table 5: List of Countries along the line of OBOR Initiative

Russia, Mongolia and 5 countries in Central Asia	11 countries in Southeast Asia	8 Countries in South Asia	16 countries in Eastern Europe	16 countries in West Asia and North Africa	5 other CIS and Georgia
Mongolia	Indonesia	Nepal	Poland	Iran	Belarus
Russia	Cambodia	Bhutan	Montenegro	Syria	Ukraine
Kazakhstan	East Timor	Maldives	Macedonia	Jordan	Azerbaijan
Tajikistan	Malaysia	Afghanistan	Bosnia and Herzegovina	Israel	Moldova
Kyrgyzstan	The Philippines	Pakistan	Albania	Iraq	Armenia
Uzbekistan	Singapore	India	Lithuania	Lebanon	Georgia
Turkmenistan	Thailand	Bangladesh	Latvia	Palestine	
	Brunei	Sri Lanka	Estonia	Egypt	
	Vietnam		The Czech Republic	Turkey	
	Laos		The Slovak Republic	Saudi Arabia	
	Myanmar		Hungary	The United Arab Emirates	
			Slovenia	Oman	
			The Croatia Republic	Kuwait	
			Romania	Qatar	
			Bulgaria	Bahrain	
			Serbia	Yemen	

Source: Yiwei, 2016, p.76



Source: *China's New Silk Road*, February 2016, P. 5 (www.pwc.com).

Figure 3: Geographical coverage of OBOR Initiative

4.5. Bangladesh-China-India-Myanmar Economic Corridors

There are five interconnected goals of the OBOR economies:

1. Policy coordination
2. Facilities connectivity
3. Unimpeded trade
- 4- Financial integration
5. People-to-people bond

The goals are conceptualized in the Figure-4



Source: Authors

Figure 4: Goals of the OBOR Initiative

The OBOR has two main components:

- (a) Silk Road Economic Belt, and
- (b) The 21st Century Maritime Silk Road.

In fact, "Silk Road Economic Belt" and the "Twenty-First-Century Maritime Silk Road," is together known as One Belt, One Road (OBOR). The Silk Road Economic Belt is a land road designed to connect China with central Asia, Eastern and Western Europe. It will link China with the Mediterranean Sea, Persian Gulf, the Middle East, South Asia and South-East Asia. The aim of the Silk Road Economic Belt is to develop six economic corridors; BCIM economic corridor is of them. The status of that corridor is illustrated in Figure 4. This corridor will connect China with South Asia. China sees India as an important partner for regional integration. 'Kunming Initiative', an idea originally developed by Chinese scholars is a modern version of the Silk Road. The 'Kunming Initiative' evolved into the BCIM Forum for Regional Cooperation during its first meeting held in 1999 with the objective to create a platform where major stakeholders could meet and discuss issues in the context of promoting economic growth and trade in the BCIM region; identify specific sectors and projects which would promote greater collaboration amongst the BCIM nations; and strengthen cooperation and institutional arrangements among the concerned key players and stakeholders to deepen BCIM ties. Under China's Belt and Road Initiative (BRI), the Bangladesh-China-India-Myanmar economic corridor (BCIMEC) paves the way for greater economic and trade integration between two economic giants in Asia, namely China and India. China's infrastructure development projects in Sri Lanka, Myanmar, Nepal, Bangladesh, Pakistan and Maldives have been popularly dubbed as 'string of pearls' strategy to encircle India in the region. India has a huge market for Chinese products. But, India remains aloof from participating the OBOR project. It didn't attend the meeting of the Belt and Road Forum for International Cooperation held in Beijing at May, 2017. Moreover, in Bangladesh China intends to develop the Chittagong Sea Port. It also wants to build a new sea port, namely; Sonadia Deep Sea Port.

On June 18, 2017 more than 270 armed Indian border troops and two bulldozers crossed the boundary in the Sikkim sector at the Duo Ka La (Doka La) resulted in cross-border tensions and conflicts. This kind of worsening relationship between China and India pose threats to the building of the BCIM. China's border disputes and conflicts needs to be resolved for regional peace, stability and connectivity. BCIM economic corridor has not yet been successful due to the political tension between India and China. But It has the potential to promote growth in Southeast China, Bangladesh, Myanmar and northeast Indian cross-border connectivity among the land-locked areas (Das, Paul and Mathur, 2013). Figure 5 shows the status of the corridor.



Source: Deshmukh, P.18
 Figure 5: Status of BCIM Economic Corridor

5. Problems and Prospects of BCIM: Geopolitics or Geo-economics?

There is an emerging trend of economic integration in Asia. Table 6 & 7 show the flows of foreign direct investment in selected countries (Sahoo et al.2014). In the current regional and global order, geopolitics and geo-economics play significant role in matters of economic integration.

Table 6: FDI inflows into selected countries,1990-2010(\$billions)

Host region/ economy	1990–1995 (annual avg.)	2000	2005	2006	2007	2008	2009	2010
World	225.3	1,491.9	982.6	1,461.8	1,971.0	1,744.1	1,185.0	1,244.0
Developed economies	145.0	1,227.5	619.1	977.8	1,306.8	965.1	602.8	601.9
Developing countries	59.6	240.2	332.3	429.4	573.0	658.0	510.5	573.5
Asia	47.3	133.7	215.8	283.4	339.2	375.6	307.5	357.8
Southeast Asia	34.6	57.3	40.7	56.7	75.4	46.9	37.9	79.4
South Asia	1.8	5.6	14.4	27.8	34.3	51.9	42.5	31.9
India	0.7	2.3	7.6	20.3	25.3	42.5	36.4	24.6
Bangladesh	0.6	0.6	0.8	0.8	0.7	1.1	0.7	0.9
Sri Lanka	0.1	0.2	0.3	0.5	0.6	0.8	0.4	0.5
Pakistan	0.4	0.3	2.2	4.3	5.6	5.4	2.3	2.0
Nepal	0.1	–	0.0	0.0	0.0	0.0	0.0	0.0
PRC	19.3	40.7	72.4	72.7	83.4	108.3	95.0	105.7
Republic of Korea	1.0	9.2	7.1	4.9	2.6	8.4	7.5	6.8
Malaysia	4.6	3.7	4.1	6.1	8.6	7.2	1.4	9.1
Singapore	5.7	5.4	15.4	29.3	37.0	8.6	15.2	38.6
Indonesia	2.1	–4.5	8.3	4.9	6.9	9.3	4.8	13.3
Thailand	1.9	2.8	8.1	9.5	11.4	8.4	4.9	5.8
Argentina	3.5	11.1	5.2	5.5	6.4	9.7	4.0	6.3
Brazil	20.0	32.7	15.1	18.8	34.6	45.1	25.9	48.4

Source: World Investment Reports, Various Issues

Table 7: FDI outflow into selected countries ,1990-2010 (\$billions)

Host region/ economy	1990–1995 (annual avg.)	2000	2005	2006	2007	2008	2009	2010
World	225.3	1,491.9	982.6	1,461.8	1,971.0	1,744.1	1,185.0	1,244.0
Developed economies	145.0	1,227.5	619.1	977.8	1,306.8	965.1	602.8	601.9
Developing countries	59.6	240.2	332.3	429.4	573.0	658.0	510.5	573.5
Asia	47.3	133.7	215.8	283.4	339.2	375.6	307.5	357.8
Southeast Asia	34.6	57.3	40.7	56.7	75.4	46.9	37.9	79.4
South Asia	1.8	5.6	14.4	27.8	34.3	51.9	42.5	31.9
India	0.7	2.3	7.6	20.3	25.3	42.5	36.4	24.6
Bangladesh	0.6	0.6	0.8	0.8	0.7	1.1	0.7	0.9
Sri Lanka	0.1	0.2	0.3	0.5	0.6	0.8	0.4	0.5
Pakistan	0.4	0.3	2.2	4.3	5.6	5.4	2.3	2.0
Nepal	0.1	–	0.0	0.0	0.0	0.0	0.0	0.0
PRC	19.3	40.7	72.4	72.7	83.4	108.3	95.0	105.7
Republic of Korea	1.0	9.2	7.1	4.9	2.6	8.4	7.5	6.8
Malaysia	4.6	3.7	4.1	6.1	8.6	7.2	1.4	9.1
Singapore	5.7	5.4	15.4	29.3	37.0	8.6	15.2	38.6
Indonesia	2.1	–4.5	8.3	4.9	6.9	9.3	4.8	13.3
Thailand	1.9	2.8	8.1	9.5	11.4	8.4	4.9	5.8
Argentina	3.5	11.1	5.2	5.5	6.4	9.7	4.0	6.3
Brazil	20.0	32.7	15.1	18.8	34.6	45.1	25.9	48.4

Source: World Investment Reports, Various Issues

5.1. Bangladesh: The location of Bangladesh is important from geopolitical and economic perspectives. It has more than 4000 kilometers land borders with India. It has more than 250 kilometers land borders with Myanmar. Bangladesh has also maritime boundary with its two bordering nations. In fact, Bangladesh is bridge between South Asian and South East Asian countries. Bangladesh has a great force of young population, lacking proper jobs and facilities. The country lacks investments in basic infrastructure. Bangladesh is positive in implementing the BCIM corridor. President Xi Jinping visited Bangladesh in 2016. At that time, Sheikh Hasina the Prime Minister of Bangladesh said, “Bangladesh is willing to actively work with China within the framework of the Belt and Road initiative and support the building of an economic corridor linking Bangladesh, China, India and Myanmar,” (*The Daily Star*, 18 October, 2016).

China and Bangladesh signed 13 joint venture agreements involving \$ 13.6 billion to increase bilateral trade between the two countries. Under the agreements, Chinese investors will invest in infrastructures, power, railways, sports and special economic zone. Currently, Bangladesh enjoys duty benefit on export of 5,054 products to China under bilateral agreement. Besides, under the WTO rules, Bangladesh as a least developed country (LDC) enjoys duty benefit on export of 97 percent Bangladesh-originated products to China. Moreover China has the potential invest in agro-processed goods, leather and leather goods, ICT products, frozen foods, jute and jute goods, pharmaceuticals and shipbuilding sectors. World Bank lead economist Zahid Hussain said in the public sector the country needs Chinese investment mainly in expanding transformative infrastructure assets, meeting the growing energy needs, and in upgrading technology to improve global connectivity and domestic productivity. The major China-financed projects in Bangladesh is demonstrated in Figure 6.

MAJOR PROJECTS WITH CHINESE ASSISTANCE	Padma Bridge Rail Link	Marine Drive Expressway	Expansion, Strengthening of Power System Network	Power Plant in Payra	Dual Gauge Rail Line (Akhaura-Sylhet)
	\$3.3b	\$2.86b	\$2.04b	\$1.9b	\$1.76b
	Dhaka-Sylhet 4-lane Highway	Dhaka-Ashulia Elevated Expressway	Power Grid Network Strengthening Project	Establishing Digital Connectivity	Karnaphuli Tunnel
	\$1.6b	\$1.39B	\$1.32b	\$1b	\$703m

Source: *The Daily Star* (A National Daily of Bangladesh), October 15,2016.

Figure 6: Bangladesh’s Major Projects with Chinese assistance

According to the Sino-Bangladesh Joint Statements:

“The two sides value the important role of BCIM Economic Corridor in promoting practical cooperation among the BCIM-EC countries and the development of the region as a whole. The two sides are ready to enhance

communication and coordination in pushing forward the establishment of BCIM Economic Corridor. The two sides also agreed to push for early consensus on the Joint Study Report and establish the governmental cooperation framework between the four parties, so as to launch early harvest programs at an early date.” China, India and Myanmar could draw lessons from Bangladesh’s successful programmes of poverty alleviation and women’s empowerment. The president of the World Bank said, “Bangladesh is a model for poverty reduction” (The Daily Star, October 18,2016). These four countries can learn from each other and work together for the achievement of the Sustainable Development Goals and 2030 Agenda. The Sustainable Developments goals are mentioned in Figure 7.

Goal 1 End poverty in all its forms everywhere	Goal 10 Reduce inequality within and among countries
Goal 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable
Goal 3 Ensure healthy lives and promote well-being for all at all ages	Goal 12 Ensure sustainable consumption and production patterns
Goal 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Goal 13 Take urgent action to combat climate change and its impacts ¹
Goal 5 Achieve gender equality and empower all women and girls	Goal 14 Conserve and sustainably use the oceans, seas and marine resources for sustainable development
Goal 6 Ensure availability and sustainable management of water and sanitation for all	Goal 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
Goal 7 Ensure access to affordable, reliable, sustainable and modern energy for all	Goal 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Goal 17 Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development
Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	

Source: *Human Development Report,2016: Human Development for Everyone*, United Nations Development Programme (UNDP), P.46.

Figure 7: Sustainable Development Goals

5.2. India

Indian economy is rapidly rising. Both China and India are the major Asian emerging economies. Geopolitically China and India are competing to woo the smaller states. There are diverse differences of opinion among the Indian politicians, practitioners and scholars regarding the OBOR Initiative in general and China-Pakistan economic corridors in particular. India has huge population and a demanding market for Chinese goods. According to a Chinese scholar, India has some advantages:

- a. healthier banking system
- b. better institutional framework (due to British legacy of rule of law, media freedom and NGO operation)
- c. stronger private sector
- d. higher capital efficiency
- e. young labor force
- f. IT sector and Software superpower(Guihong,2006).

Chinese President Xi visited India in September 2014. Since then China’s investment in India is increasing.

However, India and China have some issues of concerns. As an analyst wrote, the overall relations between China and Pakistan, and the former's support for Pakistan's nuclear weapons and missile capacity are matters of concerns to India. (Ranganath,2001). Another important development is Indo-US security alliance and Indian prime Minister Norendra Moodis's deepening involvement with the USA. An Indian analyst concluded his research paper in the following ways:

'The political benefits of joining OBOR would also have been significant, for the more China invested in India, the greater would have been its reluctance to allow 'historical disputes' to damage future relations with it. By contrast, if India chooses to stay out of OBOR it will only increase its isolation within South Asia, and from Central Asia, and hasten the end of its regional hegemony'(Jha,2017).

In a seminar held at the Indian Council of World Affairs, Delhi, the participants recognized that BCIM economic corridor is not merely a corridor, it is rather 'trade and investment hubs' (Press release report, "Seminar on BCIM Economic Corridors 5 December,2013", December 9, 2013, Indian Council of World Affairs, New Delhi, India). India is fearful of the motive of the BCIM economic corridor. Reportedly, the fear is 'that the BCIM is a mechanism designed to simply facilitate Chinese imports of natural resources and exports of processed goods to the region. India's massive trade deficit with China continues to be a factor in India's consideration of the BCIM.'(Iyer, The Diplomat, 2017).

Sino-Indian unsettled issues such as border disputes, trade deficit and nuclearization have impact on the slow progress of BCIM economic corridor. But the corridor could have the unique chance to connect and develop insurgency-prone northeastern 'seven sisters' sates of India, troubled Chittagong Hill Tracts of Bangladesh and rebellious border regions of Myanmar. Indian infrastructure projects are shown in Table 8.

Table 8: Recent Transport infrastructure projects of US\$250m and above, India(continued)

Country	Project	Sector	Investment (US\$ m)	Stage
India	Ahmedabad-Mumbai high-speed rail	Transport	15,000	Awarded
India	Pune-Mumbai-Ahmedabad high-speed rail	Transport	10,000	Planning
India	Churchgate – Virar corridor of Mumbai elevated suburban rail	Transport	3,700	Tendering
India	Hyderabad metro rail	Transport	2,600	Financial close
India	Patna Metro	Transport	2,600	Planning
India	Navi Mumbai International Airport	Transport	2,280	Tendering
India	Jaipur Metro	Transport	1,850	Tendering
India	Mumbai Trans Harbour Link	Transport	1,580	Tendering
India	Jaipur Metro phase II	Transport	1,567	Planning
India	Fourth container terminal at Mundra Port	Transport	1,300	Signed
India	Jawaharlal Nehru Port fourth terminal	Transport	1,300	Signed
India	Six laning of Kishangarh-Udaipur-Ahmedabad Section of National Highway (NH) 76, 79, 79A and 8	Transport	1,236	Financial close
India	Vizhinjam Port container terminal	Transport	1,183	Awarded
India	Versova-Bandra Sea Link	Transport	979	Tendering
India	Multi-Cargo Terminal at Chennai Port	Transport	814	Tendering
India	Mopa Airport in Goa	Transport	732	Tendering
India	Development of Tatadi Port	Transport	704	Tendering
India	Four laning of the Shivpuri-Dewas section of NH-3	Transport	659	Planning
India	Western dedicated freight corridor	Transport	635	Tendering
India	4/6 laning of Bhavnagar-Veraval section of NH-8E	Transport	623	Tendering
India	Zozila Tunnel	Transport	542	Financial close
India	Four Laning of Baharagora -Sambalpur Section of NH-6	Transport	530	Tendering
India	Chennai monorail	Transport	520	Tendering
India	Four laning of Yedeshi -Aurangabad section of NH-211	Transport	505	Financial close
India	Six laning of Gurgaon-Kotputli-Jaipur section of NH-8	Transport	468	Financial close
India	Four laning of Parwanoo- Shimla section of NH-22	Transport	445	Tendering
India	Four/Six laning of Goa-Kundapur section of NH-17	Transport	430	Financial close
India	Six Laning of Agra-Etawah Bypass section of NH-2	Transport	418	Signed
India	Four laning of Ghoshpukur-Falakata-Salsalabari section of NH-31D	Transport	417	Tendering
India	Four laning of Hyderabad-Vijayawada section of NH-9	Transport	396	Operational

Source: *One Belt, One Road: An Economic Roadmap*, The Economist Corporate Network 2016.

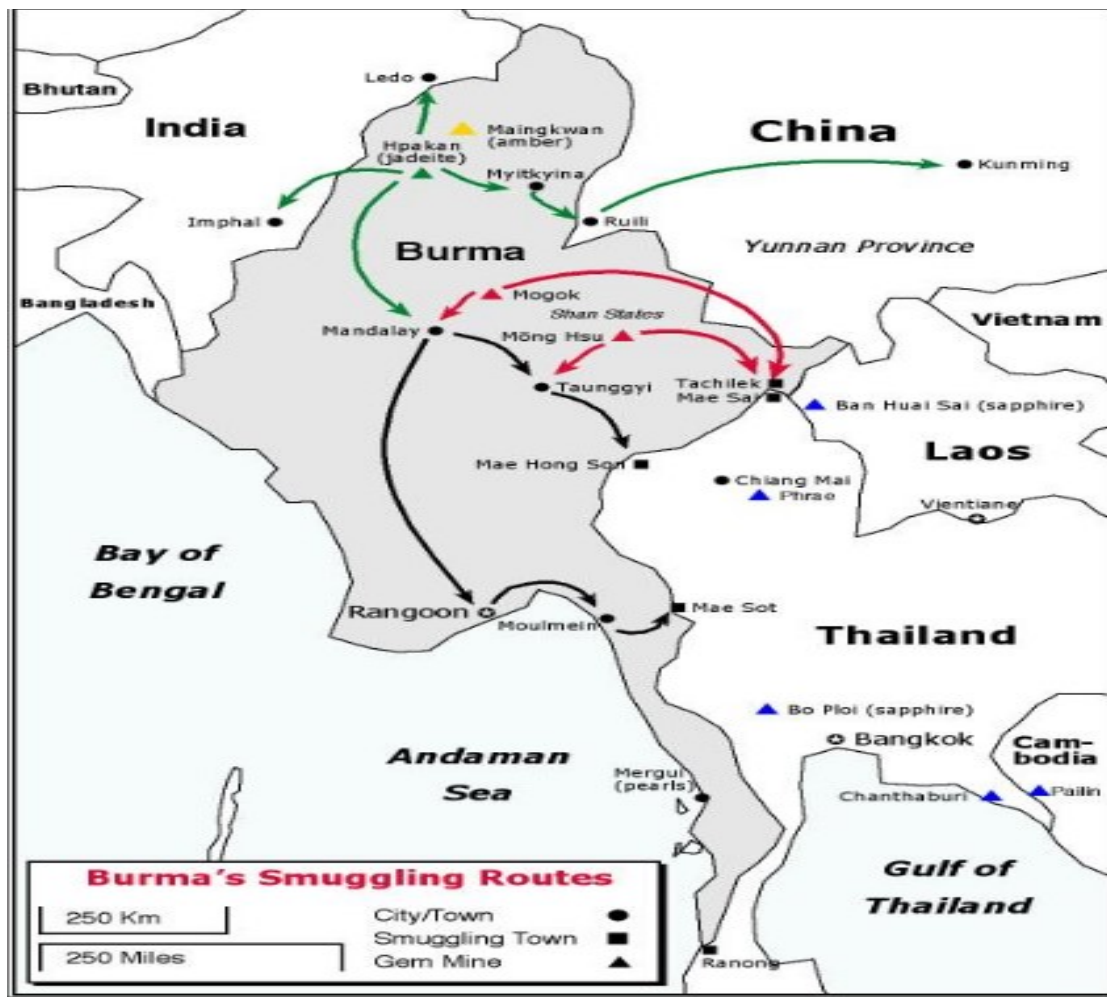
Table 8: Recent Transport infrastructure projects of US\$250m and above, India

Country	Project	Sector	Investment (US\$ m)	Stage
India	Six laning of Barwa Adda-Panagarh Section of NH-2	Transport	391	Financial clo:
India	Gurgaon Rapid Metrorail south extension	Transport	391	Financial clo:
India	Beawar-Pali-Pindwara road	Transport	389	Operational
India	Chikhli-Fagne road	Transport	386	Planning
India	Chiplun-Karad railway	Transport	380	Tendering
India	Navi Mumbai New Airport	Transport	370	Tendering
India	Baleshwar-Chandikhole section of NH-5	Transport	367	Planning
India	Four laning of the Kaithal-Rajasthan section of NH-152/65	Transport	359	Financial clo:
India	Eight laning of Mukarba Chowk-Panipat section of NH-1	Transport	348	Planning
India	Jaipur-Deoli road	Transport	345	Operational
India	Amravati-Chikhli road	Transport	344	Signed
India	Four laning of Khed-Sinnar section of NH-50	Transport	324	Financial clo:
India	Kempegowda International Airport	Transport	323	Operational
India	Delhi-Panipat Expressway	Transport	323	Tendering
India	Chakeri-Allahabad section of NH-2	Transport	322	Planning
India	Raipur-Bilaspur section of NH-30/NH-130	Transport	315	Planning
India	Four laning of Hungund-Hospet section of NH-13	Transport	308	Operational
India	6/8 laning of Jawaharlal Nehru Port road	Transport	308	Tendering
India	Six laning of Vijayawada-Gundugolanu of NH-5	Transport	303	Financial clo:
India	Four laning of the Gujarat -Surat-Hazira Port section of NH-6	Transport	303	Operational
India	Fagne-Gujarat / Maharashtra border road	Transport	284	Signed
India	New link on NH-133B and Manihari Bypass	Transport	284	Tendering
India	Indore-Ichapur to Maharashtra State Highway (SH) No. 27	Transport	283	Tendering
India	SH-10 (Sambalpur-Rourkela)	Transport	280	Signed
India	Four laning of Cuttack-Angul section of NH - 42	Transport	268	Planning
India	2/4 laning of Gadu-Dwarka section of NH-8E ; Dwarka-Okha section of SH-25	Transport	258	Tendering
India	Pukhrayan-Ghatampur-Bindaki section of SH-46	Transport	256	Tendering
India	Four laning of Luknow-Sultanpur section of NH-56	Transport	254	Financial clo:
India	Kolkata Port Diamond Harbour container terminal	Transport	251	Tendering
India	Four laning of Hubli-Hospet section of NH 63	Transport	250	Tendering

5.3. Myanmar

Myanmar is interested in the initiative of the BCIM economic corridor. Myanmar shares a land border with China's land locked province, Yunnan. China has economic investments in Myanmar. China has some following objectives in its engagements with Myanmar.

First, maintaining border stability is the prime goal of China. Myanmar's borderland is a zone of insurgent movements, illicit drug trade and trafficking. Myanmar is situated in the Golden triangle region of global drug route (Figure 8). As a result, the region faces the problems of social turmoil, terrorist criminal activities and disorder. These are the key challenges to BCIM economic cooperation.



Source: Google

Figure 8: 'Golden Triangle' route of illicit drug trade and smuggling

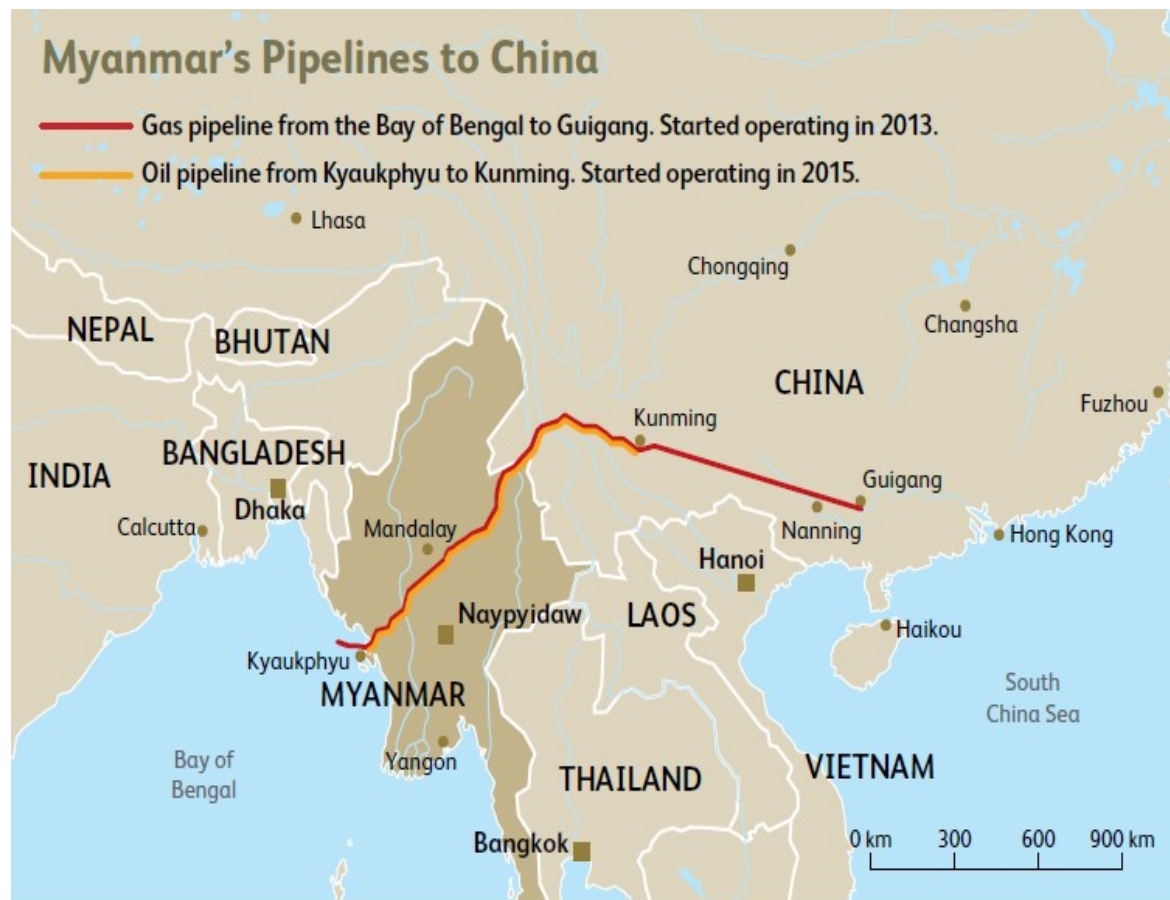
Second, ensuring access to Myanmar's oil and gas resources and diversifying its energy supply route beyond the Malacca Strait. China wants to overcome the Malacca dilemma through the pipelines and regional connectivity of BCIM economic corridor. Figure 7 shows the Gas and oil pipelines connections between China and Myanmar.

Third, securing access to the Indian Ocean and the Bay of Bengal region

According to Weifeng, Washington's geostrategy toward Myanmar its counter, rebalance and constrain China's rising influence and power in South and Southeast

Asia. The escalation of the civil war in Myanmar is one of the strategic alternatives to serve Washington's interests in four main ways: 1) weakening Myanmar's political, military and economic linkages with China; 2) blocking China's ambition and access to the Indian Ocean; 3) gaining control of the Sino-Myanmar gas and oil pipelines and undermining China's energy security; and 4) impeding regional co-operation such as Greater Mekong Sub-region, ASEAN-China, ASEAN+3, One Belt One

Road, and containing China's expanding influence in the region. (Weifeng,2016:100).It is interesting that Myanmar is making relations with India and the USA to encounter Chinese influence.



Source: Zhou Weifang, "New Dynamics in Sino-Myanmar Relations", *Global Asia*, Vol.11, No.3, Fall 2016, P.87.

Figure 9: Sino-Myanmar Pipelines

Table 9: Chinese infrastructure projects in Myanmar and Southeast Asian Region (continued)

Country	Project	Sector	Investment (US\$ m)	Stage
Indonesia	Trans-Sumatra Toll Road	Transport	27,700	Pre-Construction
Indonesia	Sunda Strait Bridge	Transport	24,000	Planning
Vietnam	Ho Chi Minh City Metro System Master Plan	Transport	23,000	Feasibility Study
Singapore	Cross Island Line	Transport	21,000	Planning
Vietnam	Long Thanh Airport	Transport	15,800	Feasibility Study
Indonesia	Bontang oil refinery	Energy	14,500	Planning
Malaysia/Singapore	Kuala Lumpur-Singapore high-speed rail (HSR)	Transport	11,000	Planning
Philippines	Manila-Makati-Pasay-Parañaque Mass Transit System	Transport	8,370	Planning
Thailand	Bangkok-Chiang Mai HSR	Transport	8,275	Planning
Malaysia	Kuala Lumpur Mass Rapid Transit (MRT), Line 2	Transport	6,500	Tendering
Laos/China	Lao-China HSR	Transport	6,000	Awarded
Indonesia	Jakarta-Bandung HSR	Transport	5,100	Awarded
Philippines	Bulacan-Laguna rail	Transport	4,500	Planning
Philippines	North-South Commuter Railway	Transport	3,720	Tendering
Philippines	North-South Commuter Railway, South Line	Transport	3,610	Tendering
Philippines	Laguna Lakeshore expressway and dike	Transport	2,620	Tendering
Myanmar	Yangon Central rail station upgrade	Transport	2,500	Tendering
Vietnam	Hon Khai island deepwater port	Transport	2,500	Planning
Thailand	Bangpa-Nakhon Rachasrima motorway	Transport	2,350	Planning
Indonesia	Central Kalimantan Coal Railway Network	Transport	2,300	Tendering
Thailand	Blue Line extension	Transport	2,290	Planning
Indonesia	West Coast Expressway	Transport	2,000	Project signed
Malaysia	Penang underground tunnel link	Transport	2,000	Project signed
Indonesia	Kertajati Airport	Transport	1,800	Tendering
Indonesia	Soekarno-Hatta Airport Train Express Line	Transport	1,800	Design
Singapore	Tuas Terminal, Phase 1	Transport	1,800	Procurement
Indonesia	Soekarno-Hatta Airport Train express line	Transport	1,797	Planning
Indonesia	East-West MRT	Transport	1,700	Planning
Thailand	Development of Bangkok's MRT Pink Line elevated train	Transport	1,584	Planning
Philippines	Redevelopment of Ninoy Aquino International Airport	Transport	1,583	Planning
Philippines	Manila Light Rail Transit (LRT), Line 7	Transport	1,540	Financial close
Thailand	Bangyai-Kanchanaburi motorway	Transport	1,540	Planning
Thailand	Development of Bangkok's MRT Yellow Line elevated train	Transport	1,528	Planning
Myanmar	Hanthawaddy International Airport	Transport	1,500	Awarded
Singapore	Singapore Sport Hub	Social & health	1,400	Operational
Philippines	Manila LRT, Line 6	Transport	1,390	Tendering
Philippines	Manila LRT, Line 1 extension	Transport	1,365	Financial close
Philippines	Philippine airport package B	Transport	1,300	Tendering
Philippines	Cavite and Laguna Expressway	Transport	1,228	Project signed
Philippines	Mindoro-Batangas floating bridge	Transport	1,125	Unsolicited proposal
Philippines	Regional Prison Facilities	Social & health	1,073	Tendering
Philippines	Philippine airport package A	Transport	1,070	Tendering
Philippines	Light Rail Transit, Line 4	Transport	1,065	Planning
Cambodia	Phnom Penh-Sihanoukville Highway Corridor Improvements	Transport	1,000	Feasibility Study
Laos	Xe-Pian Xe-Namnoy hydropower plant	Energy	966	Financial close
Indonesia	Balikpapan-Samarinda Toll Road	Transport	875	Planning
Philippines	Davao Light Railway Transit	Transport	842	Planning
Philippines	Davao port reclamation	Transport	837	Awarded
Thailand/Myanmar	Kanchanaburi-Dawei Railway	Transport	740	Planning
Indonesia	Kulon Progo (New Yogyakarta) International Airport	Transport	700	Awarded
Philippines	NLEX-SLEX connector road	Transport	578	Planning
Myanmar	National Electrification Development Program	Energy	567	Planning
Indonesia	Sarabaya monorail	Transport	558	Planning
Singapore	Tuas waste-to-energy plant	Energy	535	Project signed
Philippines	Bulacan bulk water supply	Water & waste	509	Project signed
Philippines	Motor Vehicle Inspection System	Transport	431	Planning
Philippines	Philippines School Infrastructure Project (PSIP), Phase II	Social & health	425	Awarded
Malaysia	Senai-Desaru Expressway	Transport	423	Operational
Philippines	New Centennial Water Source Project	Water & waste	405	Tendering
Laos	North-South 500 kV Transmission Line	Energy	400	Design
Philippines	Development of Davao Sasa Port	Transport	397	Tendering
Indonesia	Kalibaru Port, first container terminal	Transport	393	Project signed
Philippines	Mactan-Cebu International Airport, new passenger terminal	Transport	367	Financial close
Philippines	NAIA Expressway	Transport	360	Project signed
Indonesia	Manado-Bitung toll road	Transport	330	Planning
Philippines	Batman1 gas pipeline project	Energy	319	Planning

Source: *One Belt, One Road: An Economic Roadmap*, The Economist Corporate Network 2016.

Table 9: Chinese infrastructure projects in Myanmar and Southeast Asian Region

Country	Project	Sector	Investment (US\$ m)	Stage
Malaysia	Taman Beringin waste-to-energy incinerator project	Water & waste	313	Planning
Indonesia	Perbarakan-Tebing Tinggi toll road	Transport	303	Financial close
Vietnam	Tan Hoa-Lo Gom canal basin wastewater treatment plant	Water & waste	300	Tendering
Vietnam	Thuan-Can Tho expressway	Transport	283	Tendering
Indonesia	Nusa Dua-Ngurah Rai-Benoa toll road	Transport	253	Financial close
Philippines	Philippines School Infrastructure Project (PSIP)	Social & health	243	Project signed
Indonesia	Southern Bali Water Supply	Water & waste	219	Planning
Philippines	LRT Line 2, operations and maintenance	Transport	219	Tendering
Indonesia	Sarabaya tram line	Transport	210	Planning
Philippines	Plaridel Bypass Toll Road	Transport	203	Planning
Indonesia	Umbulan drinking water supply system	Water & waste	151	Awarded
Indonesia	Batam waste-to-energy plant	Energy	133	Tendering
Singapore	Changi Newwater II	Water & waste	132	Awarded
Indonesia	Tangerang City water supply project	Water & waste	120	Project signed
Philippines	Puerto Princesa Airport	Transport	116	Planning
Thailand	Nonthaburi waste-to-energy project	Energy	114	Planning
Indonesia	Bandar Lampung water supply	Water & waste	100	Tendering
Myanmar	Mandalay International Airport	Transport	100	Project signed
Philippines	Manila IFS, south terminal	Transport	84	Project signed
Vietnam	West Saigon wastewater treatment plant	Water & waste	80	Unsolicited proposal
Vietnam	Phu Quoc Island Port	Transport	75	Awarded
Philippines	Subic-Clark-Tarlac Expressway, operations and maintenance	Transport	74	Project signed
Philippines	Integrated Transport System (ITS), Cavite southwest terminal	Transport	74	Project signed
Cambodia	Sihanoukville submarine cables and landing station	Telecom	70	Awarded
Indonesia	Bandung waste-to-energy plant	Energy	68	Tendering
Indonesia	Bandung solid waste management improvement	Water & waste	65	Tendering
Thailand	Nakhon Ratchasima waste-to-energy plant	Energy	62	Planning
Philippines	Iloilo bulk water supply	Water & waste	59	Awarded
Philippines	Calamba Regional Government Centre	Social & health	57	Operational
Indonesia	West Semarang water supply	Water & waste	56	Planning
Vietnam	Phu Quoc Island tourist port	Transport	56	Planning
Philippines	Daang Hari-SLEX link road	Transport	46	Project signed
Cambodia	Phnom Penh-Sihanoukville road	Transport	40	Awarded
Indonesia	BoGOR & Depok Solid waste management	Water & waste	40	Planning
Philippines	Manila's Automatic Fare Collection System	Transport	40	Project signed
Indonesia	Way Rilau Water Supply System	Water & waste	38	Tendering
Philippines	Philippine Travel Centre Complex	Social & health	38	Planning
Philippines	Civil Registry System-II, Phase II	Social & health	34	Tendering
Indonesia	Palu water supply	Water & waste	30	Planning
Thailand	Nong Khaem waste-to-energy project	Energy	28	Project signed
Indonesia	Medan water project	Water & waste	25	Awarded
Indonesia	Tanah Ampo Cruise Terminal	Transport	25	Tendering
Vietnam	Suoi Nhum wastewater treatment plant	Water & waste	24	Unsolicited proposal
Indonesia	Lamongan water supply	Water & waste	17	Planning
Indonesia	Maros water supply	Water & waste	13	Planning
Vietnam	e-Government Procurement	Telecom	12	Planning
Malaysia	Negeri Sembilan waste water project	Water & waste	5	Awarded
Philippines	Talisay City real estate	Social & health	3	Tendering
Philippines	Baggao water supply	Water & waste	2	Tendering
Indonesia	Jakarta MRT, Line 2	Transport	-	Planning
Laos	Road 13, Vientiane-Paloxan	Transport	-	Planning
Laos	Road 13, Vientiane-Vangvieng	Transport	-	Planning
Malaysia	Kepong Solid Waste Transfer Station	Water & waste	-	Tendering
Malaysia	Jabor-Kg Gemuruh highway	Transport	-	Awarded
Malaysia	Hospital Umum Sarawak	Social & health	-	Tendering
Myanmar	Rangoon-Mandalay highway upgrade	Transport	-	Tendering
Philippines	Road Transport IT Infrastructure Project, Phase II	Transport	-	Tendering
Philippines	Tacloban municipal north bulk water supply	Water & waste	-	Planning
Philippines	Batangas multi-purpose transport terminal	Transport	-	Tendering
Philippines	Tansuan City Public Market redevelopment	Social & health	-	Tendering
Philippines	LRT Line 1, Dasmarinas extension	Transport	-	Planning
Philippines	Pana Point San Fernando Airport	Transport	-	Planning
Philippines	El Nido water supply system and sanitation project	Water & waste	-	Planning
Thailand	Bangkok Airport link privatisation	Transport	-	Planning
Vietnam	Dau Giay-Phan Thiet Expressway	Transport	-	Tendering
Vietnam	Hanoi monorail system	Transport	-	Planning

There are some potential areas of cooperation among the four countries. China has huge demand for Myanmar's agricultural products (Kubo, 2016). Cross-border trade is a field of further cooperation. Myanmar's trade with China is heavily concentrated in cross-border trade through the Yunnan province of China. Myanmar has border with every country of the BCIL corridor. Myanmar is geographically close to Bangladesh's Chittagong Hill Tracts (three hilly districts of Bangladesh, namely, Rangamati, Khagrachari and Bandarban), China (Yunnan) and India. India also have potential of Sino-Indian border trade. Thus, the BCIM economic corridor could provide better opportunity for cross-border trade integration, regional cooperation and people-to people communication. But, rivalry between China and India poses serious obstacles to regional cooperation and economic integration. Several scholars have ardently documented the nature and negative consequences of Sino-Indian rivalry and conflicts (Gerver,2001; Egretau,2008).

6. Conclusion

The economic rise of China is a recent global phenomenon. China adopted its trillion-dollar 'One Belt, One Road' Initiative to accelerate international and domestic national developments. The Initiative is a global strategy covering many pressing socioeconomic and geopolitical issues. The Initiative has two components: The Silk Road Economic Belt and the 21st Century Maritime Silk Road. The Silk Road Economic Belt consist of some economic corridors ranging from Asia, Europe to African countries. As per the study objective, this paper addressed the problems, challenges and prospects of an important economic corridor, namely; Bangladesh-China-India-Myanmar Economic Corridors. The corridor has special economic and geopolitical ramifications for the countries involved. China and India have competition and cooperation in many fields. However, the two countries need to develop a congenial political and economic atmosphere to get the right and expected benefits of the BCIM Economic Corridors. All problems could only be peacefully resolved through mutual dialogues and

consultations. China should address the Indian concerns and sensitivities related to BCIM Corridor; simultaneously, India has to behave in a rational and acceptable way. There are huge potentials in developing cooperative relations and investment atmosphere for the greater benefits of regional integration. The success of the corridor might bring about positive socioeconomic changes in regional trade integration, production networks, supply chains, connectivity, poverty alleviation, and overall living standards of the people. The undertaken projects and these economic changes will certainly have spillover impact on other crucial areas of peace and conflicts in South and South Asian economies.

Acknowledgement:

This research paper was supported by the National Natural Science Foundation of China (Fund No.71673223). The authors would like to express their gratitude to Mrs.Hu Zong-li(胡宗莉), the librarian of the Northwest A & F University, Yangling , Shaanxi, China for her cordial assistance in data collection. However, the authors are solely responsible for all the limitations of this project.

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