

MP-IDSA

Issue Brief

Build Back Better World Initiative: A Partnership Against or Beyond China?

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Summary

Divisive politics between democratic and authoritarian practices around the world is gradually intensifying. Beijing's assertive policies and revisionist practices in recent years against the American plan of building or defending a rules-based order through transparent and resilient initiatives are constant factors in this politics. The US-led Build Back Better World (B3W) initiative, envisioned around the need to find a better and more sustainable alternative to Xi Jinping's Belt and Road Initiative (BRI), is a prime reference. This issue brief considers the strategic imperatives of the still nascent B3W plan and juxtaposes it with China's growing clout via BRI. In particular, the brief looks at the origins and characteristics of the proposed initiative; the response of regional powers like India, Japan and Australia, as also China; and, the practical and structural challenges it faces. However, unlike the dominant narrative of the plan seeking to pose or act as a balancer to the BRI, the brief focuses on the nuances, its interests and objectives. The piece argues that the initiative has distinct areas of focus; hence, when compared to the BRI, it will share both complementary and competitive equations.

Introduction

The question of China as a (revolutionary) revisionist actor looms large over the Indo-Pacific. Building influence and changing status quo through infrastructure financing and connectivity promotion have been the most critical aspects of China's Belt and Road Initiative (BRI) that Xi Jinping has been advancing since coming to power in 2013. Debates over "quality" vs "quantity" and transparency of the infrastructure financing have been at the forefront of global perception *vis-à-vis* the BRI, both regionally and globally.¹ China's influence operations and authoritarian strategic ambit have substantially grown along with the thinking among the democratic nations about how—and if—Beijing's BRI operations can be balanced out.

Keeping this perspective in view, at the 47th Group of Seven (G7) meeting—in which Australia, India, South Korea and South Africa were guest participants—the world's seven largest industrial democracies (United States, United Kingdom, Canada, Japan, Italy, Germany and France) launched the US-led Build Back Better World (B3W) initiative. Perceived widely as a counter to China's BRI, the B3W is essentially "an affirmative initiative for meeting the tremendous infrastructure needs of low and middle-income countries".² More importantly, this initiative is seen as a strategic umbrella aimed at building a coalition among low and middle-income countries, led by the US and other G7 countries.

The central question this issue brief aims to address is: What are the strategic objectives guiding this venture and its relevance in a rapidly evolving democratic-authoritarian divide primarily triggered by a US-China rivalry? Furthermore, is it a partnership to balance (or counter) China's BRI or just a partnership among democracies outside of China's unilateral practice? The brief argues that although B3W has been framed as a competitor to BRI, in reality, such a narrative is derived from a broader US-China great power competition. In fact, B3W has several distinct

¹ China has time and again emphasised that it aims to build "open" and "high-quality" infrastructure through BRI. In his speech at the G20 Summit held in Osaka in 2019, Xi Jinping advocated for a "principle of extensive consultation, joint contribution and shared benefits, adopting open, green and clean approaches, and striving to meet the goals of high standards, livelihood improvement and sustainability." Despite this public advocacy, China's BRI has been seen sceptically. Since 2013, when BRI was introduced as a mega global plan, these principles have not fructified in practice, as several incidents of BRI projects resulting in debt traps, wasteful spending, environmental degradation in countries like Sri Lanka, Pakistan, Bangladesh, and Southeast Asia and Africa, etc., have come to light from time to time. These developments have only reiterated China's focus on quantity over quality. See "[Xi Underscores High-quality Infrastructure Construction for Inclusive Development](#)", *Xinhua*, 29 June 2019; and Wade Shepard, "[How China's Belt and Road Became a 'Global Trail of Trouble'](#)", *Forbes*, 29 January 2020.

² "[Fact Sheet: President Biden and G7 Leaders Launch Build Back Better World \(B3W\) Partnership](#)", *The White House*, 12 June 2021.

areas of focus compared to BRI and hence can emerge both as a complement and a competitor to the BRI.

B3W: Characteristics and Context

The B3W is a “values-driven, high standard” global initiative that seeks to grow as a framework for “transparent infrastructure partnership”.³ The ultimate goal is to narrow down the infrastructure deficit in the developing world, further exacerbated by the COVID-19 pandemic. The initiative seeks to mobilise private sector capital across the four key sectors of climate, health security, digital technology, and gender equity and equality. The B3W tied together with the G7’s theme focuses on “building back better world” post the pandemic by securing future prosperity, protecting the planet via green revolution, strengthening partnerships, reinvigoration of economies and embracing values of democracy, freedom, rule of law and equality.⁴

Once implemented, B3W is aimed to become possibly one of the largest infrastructure-focused initiatives by the democratic world, extending from “Latin America and the Caribbean to Africa to the Indo-Pacific”.⁵ It seeks to cover such vast area by allocating each G7 partner a specific geographic orientation, with the overall focus on low and middle-income countries. Importantly, such a vast geographic focus is, at least implicitly, directed as being a competition to the BRI, which itself boasts of an enormous global geographic network by connecting Asia with Africa and Europe through its Silk Road Economic Belt (SREB) and Maritime Silk Road (MSR), albeit with China as the hub of globe.⁶ The developing world needs about US\$ 40 trillion for infrastructure development; although BRI has provided billions of dollars in financing, it has given way to several issues like unsustainable debt, lack of transparency, corruption, environmental and social damage, and projects with dual-use potential.⁷ In light of this, B3W aims to emerge as a reliable initiative to help narrow the gap while the intent is to question the illegitimate practices that Beijing promotes.

Nevertheless, on a pragmatic note, B3W is still an initiative in its infancy, having only been formally and fully introduced as a multilateral venture at the G7 summit held on 13 June 2021. Although it is already—and overtly—being proclaimed as a

³ Ibid.

⁴ Ibid.

⁵ Ibid.

⁶ Andrew Chatzky and James McBride, “**China’s Massive Belt and Road Initiative**”, *Council on Foreign Relations*, 28 January 2020.

⁷ Matthew P. Goodman and Jonathan E. Hillman, “**The G7’s New Global Infrastructure Initiative**”, *Center for Strategic & International Studies*, 15 June 2021.

rival initiative to China's BRI, it currently lacks a coherent structure or a well-considered multilateral plan to achieve this stated objective. Most importantly, perhaps, it should be noted that the G7 is a club of highly advanced industrial economies and democracies that do not often understand or are not aware of the difficulties that low or middle-ranked economies face in executing quality infrastructure. Furthermore, without the formal inclusion of guest participants like India, South Africa and South American states, the G7's focus on low and middle-income states comes across as an outsider perspective—one of the chief historic criticisms levied at the International Monetary Fund (IMF) and World Bank's conditional lending practices.⁸ BRI on the other hand is built around China's revolutionary revisionist rhetoric.⁹ Beijing has—arguably successfully—taken advantage of the developing states' frustrations with securing Western or Bretton Woods institutional funding. In fact, China's major role in establishing the multilateral development bank, the New Development Bank (NDB) in 2014, along with the other BRICS members—Brazil, Russia, India, China and South Africa—and subsequently the Asian Infrastructure Investment Bank (AIIB) in 2016 has only reiterated the above argument. If anything, these new multilateral institutions reflect the struggle of the developing world in receiving greater representation at the World Bank and the IMF; something which the new institutions with China as a crucial member and at the helm, respectively, capitalised on.¹⁰

BRI: An Unmatched Operational Venture?

At a broader level, both B3W and BRI are infrastructure financing initiatives, however, they diverge in their areas of focus in the context of sectors, implementation and objectives.¹¹ BRI is largely concentrated on physical infrastructure and connectivity development; however, it too has adapted to changing times, and is now investing in arms such as the Health Silk Road and Digital Silk Road. Meanwhile, the B3W proposal indicates a much wider scope involving non-traditional sectors like

⁸ **“What are the Main Criticisms of the World Bank and IMF?”**, *Bretton Woods Project*, 4 June 2019.

⁹ Jagannath P. Panda, **“China as a Revisionist Power in Indo-Pacific and India's Perception: A Power-Partner Contention”**, *Journal of Contemporary China*, Vol. 30, No. 127, 19 May 2020, pp. 1–17.

¹⁰ Hongying Wang, **“The New Development Bank and the Asian Infrastructure Investment Bank: China's Ambiguous Approach to Global Financial Governance”**, *Development and Change*, Vol. 50, No. 1, February 2019, pp. 221–244; Jonathan Dove, **“The AIIB and the NDB: The End of Multilateralism or a New Beginning?”**, *The Diplomat*, 26 April 2016; and Philippe Le Corre, **“Dividing the West: China's New Investment Bank and America's Diplomatic Failure”**, *Brookings*, 17 March 2015.

¹¹ Mordechai Chaziza, **“The ‘Build Back Better World’: An Alternative to China's BRI for the Middle East?”**, *Middle East Institute*, 20 July 2021.

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health security, digital connectivity, climate action and gender studies.¹² Despite converging on health and digital connectivity, the focus areas remain different with BRI being a state-operation and unilateral venture versus the universalist outlook of B3W. Even though BRI has been extending its focus to the health and technology sectors, particularly in the post-pandemic period, these areas represent a new and still developing direction in BRI's canvas of operations,¹³ and may witness some challenges in its execution.

Despite these factors that set B3W apart from BRI, the US intends to build the initiative as a broad alternative to the BRI through cooperation with "like-minded" partners. Despite not directly competing with the BRI in specific areas of development (as of now), the fact that it is US-envisioned and (like the BRI) requires a massive influx of capital has painted it as a competitor to Xi Jinping's flagship and highly controversial BRI.¹⁴ Such a competitive posture *vis-à-vis* BRI has only been furthered by Washington, which remains highly concerned with balancing China's power, if not trumping it within their great power competition dynamics.

For instance, a senior official in the Biden administration commented that they believe the B3W would "beat the BRI by offering a higher-quality choice" via a "model that reflects [their] shared values".¹⁵ In other words, B3W brings the debate between "quantity" and "quality" to the fore which the US and its staunch ally Japan have been advocating for long. In many ways, this has somewhat limited the space for B3W to manoeuvre and evolve. China's deep integration into the global economy and

¹² Christoph Nedopil Wang and Yingzhi Tang, "[Analysis and Implications of the Initiative for Belt and Road Partnership on Green Development in Comparison to the Build Back Better World B3W](#)", *Green Belt and Road Initiative Center*, 2 July 2021; and Pradumna Bickram Rana, "[G7's 'Build Back Better World': Rival to China's BRI?](#)", *S. Rajaratnam School of International Studies*, 14 July 2021.

¹³ As part of its effort to position itself as a global health leader, particularly amidst COVID-19, China has initiated the "Health Silk Road". This initiative came up during a phone call between Chinese President Xi Jinping and Italian Prime Minister Giuseppe Conte, on 16 March 2020. China is now providing medical aid and consultation on a bilateral basis while its companies engaged in BRI projects abroad, such as Huawei and China Communications Construction Company Ltd., too, have been providing medical supplies. See Kirk Lancaster, Michael Rubin and Mira Rapp-Hooper, "[Mapping China's Health Silk Road](#)", *Council on Foreign Relations*, 10 April 2020. The Digital Silk Road, on similar lines, was launched in 2015 and has been a major component of the BRI. It underpinned China's broader vision for global connectivity and placed itself as the leader in the field. This initiative aims to initiate a more Sino-centric digital order, as opposed to a US-centric one, pursuing new markets for Chinese tech giants Alibaba, Tencent and Huawei. See Richard Ghiasy and Rajeshwari Krishnamurthy, "[China's Digital Silk Road and the Global Digital Order](#)", *The Diplomat*, 13 April 2021.

¹⁴ Francesca Ghiretti, "[B3W: Building an Alternative to the BRI or Falling Into the Same Trap](#)", *The Diplomat*, 22 June 2021.

¹⁵ Cited in Patsy Widakuswara, "[US to Offer Alternative to China's Belt and Road Initiative](#)", *Voice of America*, 12 June 2021.

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close economic partnerships with states across the world makes any decoupling or moving completely away from Beijing extremely difficult—thus presenting a direct challenge to B3W’s success amidst the developing world.

To ascertain an example of this complicated narrative, a critical look at the helm of affairs within the G7 certainly helps. China is the biggest market for German car companies BMW, Daimler and Volkswagen.¹⁶ Beijing has in the past used this as a strategic leverage over Germany to influence decisions against an all-out ban on Huawei and Chinese-made telecommunication devices. Such retaliation by Beijing over B3W could limit the extent to which Germany cooperates in the venture should it become anti-BRI.¹⁷ Concurrently, Italy officially became a part of the BRI in 2019, despite disapproval from European states. Multiple memoranda of understanding were signed, even though only a few have seen completion.¹⁸ Despite Italy taking a traditional European stance and being critical of China over issues such as the repression of Uyghur Muslims, Sino-Italian relations remain positive. Further, Japan is a leading trading partner for China while the G7 guest states of Australia, South Africa and South Korea (with the exception of India, perhaps) themselves are key trade partners of and considerably dependent on Beijing.

B3W in Indo-Pacific Narrative

Taking into account the complex China factor, B3W must be considered in the context of the Indo-Pacific narrative and in connection with other regional ventures. Amidst such constraints, B3W may emerge more as a complement than an alternative to BRI. Although they may be clearly in competition in terms of goals for certain sectors (particularly technology), the two initiatives could very well operate as complementary to each other. Like BRI, B3W expects to harvest cross-national cooperation, cross-continental connectivity and regional synergy between the countries in question while working on large-scale projects in the developing world. Nonetheless, B3W is yet to develop from an ambitious vision partnership into a substantial practical arrangement. Though no financing commitments have been made, competing with BRI’s approximately US\$ 4.2 trillion (intended) funding will in itself be a mammoth task, especially amidst the economic uncertainty arising from the pandemic.¹⁹ Moreover, no multilateral project management instruments have

¹⁶ **“German Carmakers Benefit from Strong Q1 Development in China: EY Study”**, *Xinhua*, 31 May 2021.

¹⁷ Katrin Bennhold and Jack Ewing, **“In Huawei battle, China Threatens Germany ‘Where it Hurts’: Automakers”**, *The New York Times*, 16 January 2020.

¹⁸ Francesca Ghiretti, **“The Belt and Road in Italy: 2 Years Later”**, *The Diplomat*, 23 March 2021.

¹⁹ **“BRI Connect: An Initiative in Numbers”**, *Refinitiv*, 5th Edition, Fighting COVID-19 with Infrastructure, November 2020; and Himadri Bhattacharya, **“China’s Stands on Uncertain**

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been declared and there is no clear indication of which G7 agreed companies will be willing to do the global contracting work. It is important to note that apart from domestic Chinese banks of international repute, Beijing is successfully using AIIB and NDB for executing or advancing BRI projects and diplomacy.²⁰

On a practical note, B3W emerges more as an extension of the US' Blue Dot Network (BDN) announced with Japan and Australia to support high-quality infrastructure development.²¹ As highlighted in the US fact-sheet on B3W, the "efforts" of the initiative "will be guided by high standards and principles, such as those promoted by the updated Blue Dot Network".²² For B3W to ensure that it evolves to become a well-established mechanism—in contrast to BDN's rather lukewarm development since its formation in 2019—it must be expanded and institutionalised within the national agendas of regional like-minded powers. This implies taking the initiative beyond the G7 states to include India and Australia (alongside Japan). This could, for instance, emerge from linking B3W with national ventures like India's *Sagarmala* programme, to bring about a focus on maritime connectivity and transport; Australia's regional Pacific Step-Up, thereby extending B3W to Pacific littoral states; and Japan's Expanded Partnership for Quality Infrastructure (EPQI), which already channels Japan's considerable aid and investment to developing states and is a testament to Tokyo's status as one of the biggest Official Development Assistance (ODA) providers.

Until now, these three powers have shown a varying degree of commitment to B3W. Japan, for instance, an alliance partner of the US, has adopted or agreed to execute the B3W.²³ For Tokyo, the importance of B3W goes far beyond initiating a competitive venture to BRI and lies within its focus on 'quality' infrastructure investment in the region and globally. Apart from its EPQI, Japan also shares with India a "Platform for Japan-India Business Cooperation in Asia-Africa Region" [mostly a remodelled plan of the originally envisioned Asia-Africa Growth Corridor in 2017],²⁴ the BDN

Ground", *The Hindu Business Line*, 12 July 2020; and **"China Belt and Road Projects Value Now Exceeds US\$4 Trillion"**, *Silk Road Briefing*, 25 November 2020.

²⁰ For details, see Jagannath P. Panda, **"AIIB Chronicle: China's Ambition Behind Infrastructure Investment"**, *MP-IDSIA Issue Brief*, 21 March 2017.

²¹ **"Blue Dot Network"**, *U.S. Department of State*; **"The Launch of Multi-Stakeholder Blue Dot Network"**, *U.S. International Development Finance Corporation*, 4 November 2019; and Jagannath P. Panda, **"India, the Blue Dot Network, and the 'Quad Plus' Calculus"**, *Journal of Indo-Pacific Affairs*, Fall 2020, pp. 6–8.

²² The White House, no. 2.

²³ **"G7 Leaders Adopt 'Build Back Better World' Plan to Rival China's Belt and Road Strategy"**, *South China Morning Post*, 12 June 2021.

²⁴ **"India-Japan Vision Statement"**, *Ministry of External Affairs*, Government of India, 29 October 2018; and **"Asia Africa Growth Corridor: Partnership for Sustainable and**

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with Australia and the US,²⁵ and the Partnership on Sustainable Connectivity and Quality Infrastructure with the European Union.²⁶ Not only is Japan actively involved in infrastructure investment globally, particularly in Southeast Asia,²⁷ it has also secured the endorsement for setting the global principles for ‘quality’ infrastructure investment by G20 leaders (including Xi Jinping)—demonstrating its credibility in the field.²⁸ B3W, therefore, comes as an umbrella initiative furthering Tokyo’s already strong focus on the domain and allowing it to solidify its global leadership positioning in the domain.

On the other hand, both India and Australia have not yet formally adopted B3W, despite both being invited as “extended partners” to the 2021 G7 meeting in Cornwall. India has stated that it will be studying the proposed plan in greater detail to better understand the specifics and is prepared to “engage with [the B3W] as appropriate at a later stage”.²⁹ Many expect that India will adopt the initiative primarily based on a strategic premise of searching for greater engagement with other democracies—especially as a way of showing that democracies can come together to “deliver in the sphere of project implementation”³⁰—and given its criticisms of the BRI and promotion of values of transparency and inclusion. Yet, some in the Indian strategic circles are concerned that India is abandoning its long-held non-alignment only to become an instrument of Washington’s aims in the region.³¹ However, India could frame B3W as a platform where it can represent the interests of developing states.

On a similar note, Australia’s inclusion in the venture seems all but given. While Australia is yet to make an explicit mention about the initiative, it did tout the G7

Innovative Development - A Vision Document”, African Development Bank Meeting, *Research and Information System for Developing Countries*, 22-26 May 2017.

²⁵ U.S. Department of State, no. 21.

²⁶ **“The Partnership on Sustainable Connectivity and Quality Infrastructure between Japan and the European Union”**, *Ministry of Foreign Affairs of Japan*, 2019.

²⁷ Michelle Jamrisko, **“China No Match for Japan in Southeast Asia Infrastructure Race”**, *Bloomberg*, 23 June 2019.

²⁸ For more on Japan’s key ODA policies on “Quality Infrastructure”, see **“G20 Principles for Quality Infrastructure Investment”**, Official Development Assistance, *Ministry of Foreign Affairs of Japan*, 22 March 2021.

²⁹ **“Transcript of Special Virtual Media Briefing by Additional Secretary (Economic Relations) following Prime Minister’s participation at 47th G7 Summit”**, *Ministry of External Affairs*, Government of India, 13 June 2021.

³⁰ Ibid.

³¹ D. Raja, **“India Should Stand with Developing Countries”**, *The Indian Express*, 3 July 2021.

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summit to be a success, especially in terms of the support it received for Canberra's push to respond to China's growing impact on the global trade.³² If anything, with Canberra facing an increasingly complex trade relationship with China, the B3W (and general synergy with the G7's challenge³³ to China's non-market policies and practices) can give it a critical strategic advantage. In fact, the Australian telecommunications company, in partnership with the Australian government, has bid to acquire Digicel Pacific³⁴—a little known telecom operator in South Pacific Island states—to prevent China from purchasing it to enhance its influence and presence in Australia's backyard. Reportedly, the deal is already being touted as the first initiative under the B3W infrastructure plan to limit Beijing's influence.

For both G7 and regional like-minded powers, building B3W in a systematic, planned and effective manner must be a priority and tie-ups with national programmes can help achieve this progress. Their collective aim, in other words, should be to actualise what currently exists only on paper into a practical and concrete venture that not only thrives but becomes a testament to their collective capability in the region, as well as Washington's credibility as an active and responsible Indo-Pacific and global actor. Ultimately, B3W is the US' call to rally major democracies in the world with the goal of upholding a free, open and "rules-based order". Such focus on a "rules-based" system has been a core tenet of synergy that has led to the emergence of Quadrilateral Security Dialogue (Quad), the BDN, the "Quad Plus" narrative and even the individual outlooks of democratic partner-states in their vision of the Indo-Pacific. B3W—by virtue of being a venture run by democratic states—could be poised to lead a "rules-based" system of infrastructure development that binds together ambitious outlooks with liberal principles and ideologies as its core in an open and transparent manner.

Reading the Chinese Response

In many ways, China's response to the formation of B3W has been along expected lines. Beijing has used the launch of B3W to further promote its BRI while highlighting the shortcomings of the US-backed initiative. For instance, the Chinese Vice Foreign Minister commented that the launch of B3W only showed how necessary, "right and promising" the BRI was. He added that the BRI was already a well-developed, "open" and "inclusive" venture (having been proposed in 2013 as

³² **"G7 Leaders Back Australia on Facing Down China Trade Threats"**, *9news*, 14 June 2021; and Alicia Morse, **"G7 Summit was 'Tremendously Successful' for Australia"**, *Eminetra*, 18 June 2021.

³³ **"Carbis Bay G7 Summit Communiqué"**, *The White House*, 13 June 2021.

³⁴ Andrew Probyn, **"Australian Taxpayers could Help buy Pacific Arm of Telecommunications Giant Digicel to Stop China from Nabbing it First"**, *ABC News*, 20 July 2021.

“One Belt, One Road”) with fully firmed, concrete plans, whereas the B3W was still abstract and still unsure of its financing capacity.³⁵ This was, by and large, a measured response and not entirely unexpected. In some ways, Beijing is perhaps well aware of the difficulty that B3W may face in terms of its execution and actualisation.

On the other hand, Beijing’s state-sponsored mouthpiece, *Global Times*, has been considerably vocal, even warning other states from participating in B3W. It quoted Chinese experts, saying it would be “naive” to believe that B3W had any hope of rivalling the BRI;³⁶ and argued that the plan was unrealistic in its massive agenda of narrowing a US\$ 40 trillion gap when the US itself faced tremendous national debt as well as in its aim to mobilise private sector capital considering the long recuperation period involved. The article further stated that the programme was considered “a pirated version of BRI” by the Chinese netizen community. It further criticised the initiative for not involving developing states and painted it as a US tactic to assert its hegemony. A second article in *Global Times* argued that B3W was based more on its “political meaning” than any “material results it may yield”—and therefore had little chance of success.³⁷ Lastly, with India considering the proposal, an expert commentary in *Global Times* argued that India may be better off hedging its bets and declining to join the B3W because Western investments under the programme would be “conditional” with political strings attached and a high actual cost.³⁸

Summing Up

Notwithstanding the merits in the above-mentioned Chinese perspectives on B3W, these responses from China’s strategic community suggest that Beijing is, to an extent, concerned about the implications that a successfully implemented B3W could pose for the BRI. Importantly, while BRI is entirely China-centric and seeks to put Beijing at the centre of the global network of supply chains, the B3W is planned as a global venture. In this regard, BRI could face real competition from B3W, as China will be unwilling to decentralise the BRI plan internationally or multilaterally and diminish its control and centrality over BRI projects. In fact, to this effect, BRI and B3W will share both complementary and competitive equations. However, if the BRI does evolve—such as to focus more on digital and health sectors (a likely scenario

35 **“Vice Foreign Minister Le Yucheng: U.S. B3W Plan Further Proves Belt and Road Initiative is Right and Promising”**, *Ministry of Foreign Affairs of the People’s Republic of China*, 10 July 2021.

36 Song Lin, **“G7 Infrastructure Plan can Hardly Rival BRI”**, *Global Times*, 14 June 2021.

37 Ma Jingjing, **“G7’s Infrastructure Initiative Can’t Compete with the BRI: Experts”**, *Global Times*, 15 June 2021.

38 Liu Zongyi, **“G7 Infrastructure Plan May Not Match Up with India’s Goals”**, *Global Times*, 15 June 2021.

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post the pandemic) or imbibe a more multilateral approach than just being unilateral (an unlikely scenario), both ventures would continue to propel as representative of an enduring “China vs Democratic World” rivalry.

Building B3W in a planned manner must take priority for the G7, its guest partners and the US. Otherwise, an initiative that exists on paper but does not actualise into concrete actions will only limit Washington’s planning and credibility in the region. Although B3W faces several structural constraints—primary among them being uncertain financing plans—the initiative nevertheless has much potential. Despite possibly being complementary to the BRI in some sectors, it is framed as a clear competitor to China’s flagship initiative. However, beyond this rivalry with China, B3W comes as a programme to strengthen the rules-based order narrative by ensuring that low and middle-income states have an alternative to often debilitating Chinese financing. In this context, the B3W partnership exists both against and beyond the Chinese global action plan.

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