Forging the Belt and Road Initiative: From the 14th to the 15th Five-Year Plan

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Abstract: *Utilizing the three-dimensional framework of hard, soft, and people-to-people connectivity, this study evaluates the Belt and Road Initiative (BRI)'s progress during the 14th Five-Year Plan (FYP) period and charts strategic directions for the 15th FYP period. Connectivity forms the BRI's core logic: hard connectivity provides the physical infrastructure, soft connectivity provides institutional support, and people-to-people connectivity constitutes the social foundation—together forming an interdependent whole. Notably, the 14th FYP period marked both the inaugural phase of high-quality BRI cooperation and a pivotal shift from infrastructure dominance toward institutional integration. Despite severe COVID-19 disruptions, the initiative's achievements have remained substantial and widely recognized. Looking to the 15th FYP period, amid a volatile international political and security environment, high-quality BRI development will prioritize soft connectivity while promoting coordinated progress across all three dimensions. Guided by extensive consultation, joint contributions, and shared benefits—alongside a balanced approach to righteousness and profit—the initiative will pursue steady, pragmatic advancement. Specifically, it will emphasize security-oriented hard connectivity, refine institutional mechanisms for soft connectivity, and highlight "small yet smart" projects for people-to-people connectivity. These efforts collectively aim to deliver high-standard, sustainable, and livelihood-centered development.*

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As the initiator and primary driver of the Belt and Road Initiative (BRI), China provides the essential framework for assessing the initiative. Therefore, a meaningful evaluation of the progress made and challenges encountered during the 14th FYP period (2021-2025), as well as the prospects for its development during the 15th FYP period (2026-2030), must begin with the strategic vision and policy logic articulated by the Chinese government and its leadership, which has consistently

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shaped the BRI's evolution. The period from 2013 to 2018 was the first five years of the BRI's development. At the symposium commemorating the fifth anniversary of the initiative in August 2018, President Xi Jinping noted that the BRI had completed its overall strategic layout—akin to a bold "freehand sketch". Looking ahead, he called for greater focus and meticulous refinement, urging participants to jointly create a detailed and exquisite "meticulous painting" (Xi, 2023). This statement signaled a pivotal shift: the BRI had moved from broad foundational expansion into a phase of high-quality development. This strategic reorientation gained formal momentum in later policy milestones. In July 2024, the *Resolution* adopted at the Third Plenary Session of the 20th CPC Central Committee explicitly called for improved mechanisms to advance high-quality BRI cooperation as part of deeper reforms to advance the Chinese path to modernization[1]. In December 2024, at the Fourth BRI Symposium, President Xi Jinping reinforced this direction by highlighting nine key areas for developing high-quality cooperation mechanisms[2]. The trajectory was further solidified in October 2025, when the *Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development*(hereinafter referred to as the *Recommendations*) outlined specific priorities and tasks for advancing high-quality BRI[3]. These successive developments confirm that the 14th FYP period marked the initial phase of the BRI's transition to high-quality development. At the same time, the *Recommendations* provide a clear, actionable roadmap for deepening that transformation. Progress over the past five years can be assessed through various frameworks, such as the "Five Connectivities" (policy, infrastructure, trade, finance, and people-to-people connectivity) or the "Six Corridors, Six Routes, Multiple Countries and Ports" model. Since connectivity remains the core principle and throughline of the BRI, this study adopts "hard connectivity" (physical infrastructure), "soft connectivity" (institutional and regulatory alignment), and "heart connectivity" (people-to-people bonds) as the primary analytical axes. Using this framework, the paper evaluates achievements of the past five years and offers forward-looking insights into priorities for the next planning period.

1. Literature Review

International academic literature on the BRI typically frame the initiative's evolution from its 2013 inception onward, rather than segmenting it according to China's domestic five-year planning periods. Assessments are often polarized, with scholars and think tanks from different countries reaching sharply divergent conclusions, which stem from varying research samples, methodological choices, and underlying political or geopolitical viewpoints. Against this background, this section summarizes several salient characteristics of international BRI scholarship.

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[1] Source: Xinhua News Agency, "Resolution of the CPC Central Committee on Further Deepening Reform Comprehensively to Advance Chinese Modernization," January 15, 2026, https://www.gov.cn/zhengce/202407/content_6963770.htm.

[2] Source: Xinhua News Agency, "Xi Jinping Stresses Comprehensively Advancing High-Quality Belt and Road Cooperation," January 15, 2026, https://www.mofcom.gov.cn/syxwfb/art/2024/art_8b480b3b74eb4507ab17b275d2ead9e5.html.

[3] Source: Xinhua News Agency, "Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development," January 15, 2026, https://is.mofcom.gov.cn/zcfb/art/2025/art_e91ff36da2c448f6a4f9b67a3d5b0172.html.

First, scholarly assessments of the BRI's progress and prospects reveal stark national differences. Scholars from partner countries generally take an affirmative view. In contrast, those from Western countries tend to hold a predominantly negative stance. The China-Pakistan Economic Corridor (CPEC) offers a clear illustration. Although Western academic circles have continued to debate its performance and outcomes, mainstream Pakistani think tanks remain broadly supportive. A detailed analysis of 60 articles published between May 2015 and March 2023 by Pakistan's two leading institutions—the Institute of Strategic Studies Islamabad (ISSI) and the Islamabad Policy Research Institute (IPRI)—uncovers a consistent strategic narrative. It centers on three main themes: vigorously defending China and CPEC against Western criticism; promoting China's narratives and its perceived goodwill to strengthen positive public perceptions in Pakistan; and underscoring the centrality of regional economic cooperation and the rising role of geoeconomics in Pakistan's foreign policy (Ahmed & Chaudhry, 2025).

Second, on the Western side, a landmark study released on March 31, 2021, by AidData (College of William & Mary), the Center for Global Development, the Kiel Institute for the World Economy, and the Peterson Institute for International Economics stands out as particularly influential. The report compiled and examined 100 contracts signed between 1999 and 2020 between Chinese state-owned entities and governments in 24 developing countries across Africa, Asia, Eastern Europe, Latin America, and Oceania. By comparing these agreements with contracts from other bilateral, multilateral, and commercial creditors, it sought to lend empirical support to the so-called "debt-trap diplomacy" narrative (Gelpern et al., 2023).

Third, within mainstream Western academia, recent research has exhibited a more measured and nuanced tendency compared with earlier, more rhetoric-based conclusions. Vera Schulhof et al. (2025) analyzed 1,170 BRI-related articles published between 2016 and 2024 in 101 Western academic journals. Applying screening criteria based on journal rankings, peer-review status, and minimum citation thresholds, the authors identified 171 studies. One notable finding is that, over time, the perceived image of the BRI has improved modestly: negative depictions of its objectives have declined, and discussions of benefit distribution increasingly portray the initiative in a more balanced and, in some cases, more positive manner.

Within Chinese academia, evaluations of the BRI's progress and prospects have undergone a significant shift in recent years, marked by a growing emphasis on empirical research—most prominently in economics. A wide range of studies now examine relationships between the BRI and corporate performance, technological upgrading, green transitions in partner countries, trade flows, and national governance outcomes. While these studies contribute valuable insights into the initiative's impacts, they also share several common limitations. First, there is no standardized definition of the sample of partner countries, reducing the comparability of findings across studies. Second, clear criteria for determining participation by partner countries or firms are often lacking, with many studies relying primarily on the signing of BRI cooperation documents as the sole indicator of involvement. This approach is insufficient on its own. Third, many BRI projects, particularly large-scale infrastructure investments, exhibit long investment recovery periods that have not yet elapsed, thereby constraining the reliability of current empirical conclusions. In contrast, field-based evaluations of specific projects remain relatively rare.

In this regard, this paper adopts the framework of the "Three Connectivities"—hard connectivity, soft connectivity, and people-to-people connectivity—as its central analytical lens to assess the progress and challenges of BRI cooperation over the past five years and to explore development directions for the next planning period. The framework of the "Three Connectivities" (hard, soft, and people-to-people connectivity) was formally articulated by President Xi Jinping in November 2021 as a summary of the BRI's achievements in its first eight years. It has since served as a key theoretical guide for assessing the initiative's transition into a stage of high-quality development (Xi, 2023).

2. Evaluation of BRI Progress During the 14th FYP Period

The most significant disruption to BRI cooperation during the 14th FYP period stemmed from the COVID-19 pandemic. Lasting for more than three years (2020-2023), the pandemic dealt a severe blow to the global economy, trade, investment flows, and cross-border mobility[4]. The global crisis significantly decelerated the growth rate of China's investment in BRI projects, while undermining the debt-servicing capacity of some partner countries, particularly least developed countries. With the gradual recovery of the global economy, Chinese investment in BRI projects began to rebound in 2024. It rose sharply in H1 2025 year-on-year. During the 14th FYP period, China's cumulative direct investment in BRI projects exceeded 160 billion US dollars (2021-H1-2025), while the value of overseas contracted engineering projects—another major modality of BRI cooperation—surpassed 1 trillion US dollars[5]. Viewed in retrospect, BRI investment over the past five years followed a U-shaped trajectory. Despite the substantial impact of the pandemic, the 14th FYP period, as the initial stage of China's high-quality development, saw tangible progress in jointly building the BRI.

2.1 Progress in Hard Connectivity

Hard connectivity has been central to the first phase of BRI cooperation. During the 14th FYP period, progress in this domain was manifested in several key respects. First, the connectivity framework of "Six Economic Corridors, Six Routes, Multiple Countries, and Multiple Ports" has largely taken shape[6]. The six economic corridors can be broadly ranked by their development level as follows: the New Eurasian Land Bridge Economic Corridor, the China-Indochina Peninsula Economic Corridor, the China-Pakistan Economic Corridor, the China-Mongolia-Russia Economic Corridor, the China-Central Asia-West Asia Economic Corridor, and the Bangladesh-China-India-

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[4] According to World Health Organization (WHO) definitions, the COVID-19 pandemic lasted three years and two months, from the declaration of a "global pandemic" on March 11, 2020, to the announcement that it no longer constituted a "Public Health Emergency of International Concern" (PHEIC) on May 5, 2023; notably, the duration in China extended beyond this period.

[5] Official Chinese data is sourced from the "Going Global" Public Service Platform of the Ministry of Commerce (https://fec.mofcom.gov.cn/article/fwydyl/). It should be noted that estimates for China's BRI investment scale vary significantly between domestic and international sources. In Western academia, for instance, total investment estimates for the 2013–2020 period range from 100 billion US dollars to 900 trillion US dollars—a nine-thousandfold discrepancy. This is largely attributable to variations in sample size and investment classifications adopted by different authors. See Vera Schulhof et al. (2025).

[6] Source: Department of Regional Opening-up (NDRC), "Expanding New Horizons for Win-Win High-Quality BRI Cooperation," January 15, 2026, https://www.ndrc.gov.cn/xwdt/dt/sjdt/202512/t20251223_1402545.html.

Myanmar Economic Corridor. Across the "Six Routes", railways, highways, maritime shipping, aviation, pipelines, and integrated space-based information networks have advanced in parallel. Second, an initial multidimensional connectivity network has been established. In October 2023, President Xi Jinping noted at the Third Belt and Road Forum for International Cooperation that, over the past decade, efforts had focused on building a global connectivity network guided by economic corridors, structured around major transport arteries and information highways, and supported by railways, roads, airports, ports, and pipeline systems. Spanning land, sea, air, and cyberspace, this network has facilitated large-scale flows of goods, capital, technology, and people, revitalizing the ancient Silk Road in the contemporary era[7]. Third, an integrated pattern of domestic and international connectivity has taken shape. The most prominent example is the New Western Land-Sea Corridor. Originating from a proposal raised at the 2014 China-Singapore high-level meeting to promote southward opening through the Beibu Gulf—then known as the "Southern Corridor"—it was officially renamed the New International Land-Sea Trade Corridor in 2018. In the same year, the issuance of the *Overall Plan for the New Western Land-Sea Corridor* elevated the corridor to the level of a national strategy. Beyond providing new channels for opening up China's western regions, the corridor has institutionalized connectivity through the "13+2" mechanism, linking 13 western provincial-level regions with two key logistics nodes—Huaihua in Hunan and Zhanjiang in Guangdong—thereby forming an integrated domestic-international connectivity framework. Empirical research indicates that trade liberalization associated with the corridor has stimulated population agglomeration and urbanization. Compared with prefecture-level cities that do not participate in the corridor, participating cities exhibit significantly higher levels of urban population concentration (Chen et al., 2025). Thus, hard connectivity has played an important role in promoting comprehensive opening up in China's central and western regions.

Over the past five years, the most prominent challenge facing hard connectivity has been security. First, geopolitical factors have disrupted transport corridors. In September 2025, Poland closed its border crossings during joint Russian-Belarusian military exercises, suspending China-Europe Railway Express services for nearly two weeks. Second, domestic terrorism in host countries continues to threaten the safety of personnel and assets of Chinese enterprises. Terrorist incidents in parts of South Asia, Central Asia, and Africa, combined with the rise of resource nationalism, have further intensified these risks.

2.2 Progress in Soft Connectivity

Compared with the first eight years of the BRI (2013-2020), the advancement of "soft connectivity" stood out as a defining feature of BRI cooperation during the 14th FYP period. This is evident in three key areas of progress. First, coordination mechanisms for BRI cooperation have expanded from a primarily domestic orientation to one with a clearer international dimension. Whereas earlier coordination centered on China's internal institutional arrangements—most notably the Office of the Leading Group for Promoting the BRI housed within the National

[7] Source: People's Daily, "Building an Open, Inclusive, Interconnected, and Shared World," January 15, 2026, http://cpc.people.com.cn/n1/2023/1019/c64094-40098617.html.

Development and Reform Commission (NDRC)—recent years have witnessed a gradual move toward internationalized governance structures. At the Third Belt and Road Forum for International Cooperation in October 2023, President Xi Jinping formally announced the establishment of the Forum Secretariat, marking an important step toward more institutionalized and sustained coordination[8]. Second, international cooperative organizations under the BRI framework have begun to take shape. In April 2019, the Belt and Road International Green Development Coalition was established; it convened its first General Assembly in 2023. As a voluntary, professional, and non-profit international organization, the coalition brings together social organizations, foundations, research institutions, and enterprises working in the fields of environmental protection and sustainable development. To date, it comprises 42 member institutions, reflecting growing interest in issue-specific cooperation under the BRI umbrella. Third, joint efforts with partner countries to develop guiding rules and principles in key areas have advanced. In particular, to promote the construction of a "Clean Silk Road", several documents were released at the Third Belt and Road Forum, including *Achievements and Prospects of Belt and Road Integrity Building* and the *High-Level Principles on Belt and Road Integrity Building*.

Over the past five years, soft connectivity has remained in a formative stage. The development of rules and mechanisms at different levels, as well as their alignment with existing regional cooperation frameworks and national development strategies, is still largely exploratory. One of the most prominent challenges has been interference and counterbalancing efforts by certain Western countries. For example, the successive withdrawal of the three Baltic states from the China-Central and Eastern European Countries (the "17+1" cooperation framework) in 2021 and 2022 significantly weakened the mechanism's functioning.

2.3 Progress in people-to-people connectivity

People-to-people connectivity is a foundational dimension of high-quality BRI development and an outcome of progress in both hard and soft connectivity. Beyond the gradual deepening of public awareness and perceptions of the BRI among populations in partner countries, the most salient development over the past five years has been China's response to the COVID-19 pandemic. By providing large-scale medical supplies and protective equipment, and by cooperating with more than 20 countries on vaccine production, the BRI increasingly assumed the character of a "Silk Road of Health" and a "Silk Road of Life". In the trade domain, a major policy initiative took effect on December 1, 2024, granting zero-tariff treatment across all tariff lines to all least developed countries that maintain diplomatic relations with China, including 33 African countries. This measure has yielded positive outcomes in economic exchange and public goodwill. Although there is no consensus within the academic community on standardized indicators for measuring people-to-people connectivity, empirical research on public perceptions in partner countries has expanded in recent years. Studies focusing on Pakistani public attitudes toward the China-Pakistan Economic Corridor indicate that, despite persistent negative perceptions in regions such as Balochistan and Khyber Pakhtunkhwa (KPK), the majority of the population holds a favorable

[8] The Secretariat is housed within the Ministry of Foreign Affairs (MFA).

view of the corridor (Kanwal et al., 2020). In this sense, CPEC has fostered social affinity between China and Pakistan.

Relative to hard connectivity, progress in people-to-people connectivity has been slower. Several factors help explain this pattern. First, people-to-people ties accumulate gradually and are unlikely to experience rapid transformation over short periods. Second, continued negative framing of the BRI in parts of the Western mainstream media has influenced public perceptions in some partner countries. Third, Chinese academia and institutions, as the initiative's advocates, still have considerable work ahead in effectively narrating the BRI story to global audiences.

3. The International Environment for BRI Cooperation During the 15th FYP Period

The re-election of Donald Trump as President of the United States signals a turning point in the global political, economic, and security landscape. Over the next five years, structural adjustments and heightened uncertainty are likely to reshape international conditions, thereby influencing both the direction and the pace of BRI cooperation.

3.1 Economic Globalization Enters a Phase of Cyclical Adjustment

Several interrelated developments indicate that economic globalization has entered a period of cyclical and structural recalibration. At the institutional level, the multilateral trading system centered on the World Trade Organization (WTO) exists in name only. Its core functions—serving as a platform of multilateral trade negotiations, monitoring of members' trade policies, and binding dispute settlement—have been severely constrained or rendered ineffective. Reflecting this shift, US Trade Representative Jamieson Greer characterized the August 2025 trade agreement reached between President Trump and European Commission President Ursula von der Leyen at Turnberry as the emergence of a "Turnberry System", suggesting that it represents a departure from the postwar, WTO-centered trade order toward a more bilateral and reciprocal framework[9]. More fundamentally, major economies have increasingly departed from the multilateral system's cornerstone principle of most-favored-nation (MFN) treatment. At the national policy level, economic nationalism and protectionism have gained prominence. International economic relations are increasingly framed through a national security lens, reflecting a rising trend toward the securitization of international economic cooperation. Since the tariff measures introduced during the Trump administration, higher trade barriers have become a persistent feature of the global economy. At the firm level, global value chains are undergoing restructuring, characterized by shorter supply chains, regionalization, and localization. Corporations are recalibrating their strategies away from efficiency maximization toward resilience, risk diversification, and supply chain security.

Taken together, these trends are likely to shape the international economic landscape in several enduring ways. First, the growth of global trade and investment is expected to moderate, with

[9] Source: Jamieson Greer, "Op-Ed by Ambassador Jamieson Greer: Why We Remade the Global Order," January 15, 2026, https://ustr.gov/about/policy-offices/press-office/press-releases/2025/august/op-ed-ambassador-jamieson-greer-why-we-remade-global-order.

subdued final demand becoming more prevalent, reflecting value-chain contraction, manufacturing reshoring, and efforts by major economies to rebalance external accounts. Second, regionalism is likely to gain further traction relative to multilateralism, with economic cooperation increasingly organized around regional blocs or issue-specific groupings. Third, pressures toward de-dollarization are intensifying. While unilateralism and "America First" policies have contributed to a gradual erosion of the dollar's global dominance, the nature of any alternative—whether digital currencies, stablecoins, gold, or national currencies—remains uncertain.

3.2 The Postwar Liberal International Order under Strain

The liberal international order rooted in Westphalian sovereignty and post-World War II institutions is facing mounting challenges. Although the United Nations-centered system has played a significant role in sustaining global stability and economic growth, its foundations are increasingly tested by rising right-wing ideologies, skepticism toward globalization, and intensified great-power competition. These pressures point toward a period of adjustment in the international political and security environment.

First, the question of war and peace has resurfaced as the defining issue of our era. Under the postwar international order—especially in the nuclear age—direct great-power conflict was largely averted, with violence channeled into proxy wars and "peace and development" reigning as the prevailing themes. In recent years, however, certain major powers have pursued a strategy of securitization , prioritized relative power and status, expanded military alliances, safeguarded their own security at others' expense, and wantonly trampled upon the core principles of the United Nations Charter. These developments have markedly elevated risks to global stability. The Russia-Ukraine war has drawn major powers into direct or indirect confrontation, prompting warnings from some observers of a potential slide toward wider—or even systemic—conflict. Rhetoric and policy indications from the second Trump administration, including explicit threats to use force to acquire territory and proposals to rename the Department of Defense to the "Department of War" — a symbolic shift suggesting a move from a defensive to a more proactive military doctrine — have intensified perceptions of a fundamental strategic rupture. Against this backdrop, the probability of large-scale war, including among major powers, is now widely regarded as rising.

Second, the resurgence of the law of the jungle and intensified great-power competition lie at the heart of these shifts. Behind the question of war and peace is the return of raw power politics. The postwar international order, built on the Westphalian system, sought to "tame" the law of the jungle through institutions and norms. Still, it never eradicated the underlying logic of power politics and the notion that might makes right. Recent disruptions to the existing order stem primarily from intensifying strategic rivalry among major powers, particularly due to a shift in the mindset and actions of the predominan power. The most emblematic case is the second Trump administration, where "might makes right" has ceased to be mere campaign rhetoric and has become the guiding principle for handling international affairs. Multilateral mechanisms such as the United Nations and the World Trade Organization no longer constrain US behavior. Even within alliance systems like NATO, the Trump administration operates unbound by established rules and norms. When it has threatened to annex Canada and Greenland, other NATO allies have responded with rare and telling silence. Only states possessing sufficient comprehensive national strength can hope to stand up to such dominance.

Third, pressures on the provision of global public goods have intensified. Such goods are inherently prone to underprovision, and for decades the United States has played a leading role in their supply. Under the "America First" policy orientation, however, Washington has increasingly questioned the costs and benefits of this role. Consequently, the Trump administration announced the closure of the United States Agency for International Development (USAID), urged its allies to increase their share of military spending, and refused to unilaterally provide export markets to other countries. This situation resembles what has been described as the "Kindleberger Trap", in which a declining hegemon becomes less willing to lead. At the same time, no alternative provider is yet able to assume full responsibility.

3.3 Digital Technologies and Artificial Intelligence: A New Technological Revolution with Uncertain Short-Term Growth Effects

A new wave of technological revolution—driven by digital technologies and artificial intelligence (AI)—is profoundly transforming modes of economic operation, everyday life, patterns of human cognition, and even the conduct of warfare.

First, competition surrounding this revolution has become the principal battlefield of great-power rivalry, most visibly in China-US relations. With Donald Trump's return to office, bilateral competition has shifted decisively from ideology to a struggle for dominance over critical technologies—semiconductors, AI, robotics, and beyond—a true contest for the "commanding heights".

Second, while the revolution's impact on economic organization is unprecedented, its ability to drive global growth over the next five years remains uncertain. Global AI investment has surged dramatically, yet the translation of these applications into sustained GDP gains is far from assured. Optimists at institutions such as Goldman Sachs and PwC view generative AI as a potent engine of expansion; more cautious voices, led by Nobel laureate Daron Acemoglu, project modest effects. His rigorous modeling indicates that over the coming decade, AI may boost total factor productivity by no more than 0.66 percent and GDP by roughly 1.4 percent (Acemoglu, 2025). Amid such divergent views, one point is clear: in the short term, AI is unlikely to emerge as the primary driver of global economic growth.

Third, the revolution risks widening the divide between developed and developing economies—particularly least developed countries (LDCs). AI diffusion will likely exacerbate income inequality both within societies and across borders. UNCTAD's *World Investment Report 2025* warns that limited infrastructure, connectivity, and digital capabilities in developing regions could deepen the digital divide amid advances in AI, big data, and cloud computing. In 2025, digital multinational enterprises remain heavily concentrated in developed economies: of the global top 100, 56 are headquartered in the United States, with another 15 in the United Kingdom, France, Germany, and Japan. While the number of Chinese firms increased from 2 in 2017 to 11 in 2025 (UNCTAD, 2025), most developing countries continue to lag far behind. Beyond R&D disparities, the labor-cost comparative advantage on which many developing economies rely is eroding rapidly, as this technological wave substitutes for labor more aggressively than any prior wave.

3.4 The Global Economy Is Entering a Period of Low Growth

Since the beginning of the twenty-first century, global economic growth has followed a stepwise downward trajectory. The World Bank's *Global Economic Prospects* (June 2025) indicates that growth in the 2010s reached its lowest level since the 1960s, with the 2020s projected to decelerate further. Notably, this slowdown is acute in developing economies (excluding China). Consequently, average growth fell from 5.9 percent in the 2000s to 5.1 percent in the 2010s and is expected to decline to 3.7 percent in the 2020s—a prolonged stagnation that the World Bank describes as a "no-development zone". High-income economies should broadly return to pre-pandemic per capita GDP paths by 2027, whereas developing economies may require approximately 20 years to recover from 2020 losses. This stepwise decline in developing-economy GDP growth runs parallel to a synchronous slowdown in global trade: trade growth itself fell from 5.1 percent in the 2000s, to 4.6 percent in the 2010s, and is projected to average just 2.6 percent in the 2020s[10]. Given the Trump administration's tariff wars and push for manufacturing reshoring, trade and investment momentum is likely to weaken further.

International financial markets have also entered a sustained era of high interest rates. The US federal funds rate rose from around 1 percent in the early 2000s to 5.25 percent in 2006, stayed near zero from 2008 to 2015, and then entered a new tightening cycle in 2016 (with only brief pandemic easing), holding above 5 percent today. This cycle has imposed severe debt-service strains on developing economies, particularly LDCs. Despite repeated pressure from the second Trump administration for Federal Reserve rate cuts, heightened US stagflation risks make a return to near-zero rates highly improbable. Markets now anticipate that rates will remain well above historical norms for the foreseeable future.

3.5 New Dynamics in Great-Power Economic Competition

Compared with the period of high economic globalization, economic competition among major powers is entering a new phase characterized by a series of structural shifts.

First, Western major powers—led by the United States—are increasingly relying on industrial policy to enhance international competitiveness. Beginning with the Biden administration, the US explicitly reembraced industrial policy, most notably through the passage of the *CHIPS and Science Act* in 2022. Following Donald Trump's return to office, industrial policy has become normalized and has also taken on a more interventionist form. In some strategic sectors, the federal government has moved beyond regulation and subsidies to direct equity participation, including in semiconductor firms such as Intel and rare-earth producers such as MP Materials.

Second, guided by the "America First" doctrine, the Trump administration has pioneered a distinct approach to international economic competition, characterized by unilateralism and the reframing of alliances. To capitalize on US strengths in traditional energy, it withdrew from the Paris Agreement. To evade the constraints of multilateral and regional integration arrangements,

[10] Source: World Bank, *Global Economic Prospects*, January 2025.

it has demanded renegotiation of the United States-Mexico-Canada Agreement (USMCA), while not ruling out its potential breakup into separate bilateral deals. Concurrently, the administration has cultivated US-centered alliances in strategic sectors such as semiconductors and rare earths, framing this selective, exclusive cooperation as "open plurilateralism" to confer legitimacy on American-led coalitions.

Third, economic and security instruments are increasingly deployed in tandem to enhance international competitiveness. In the tariff negotiations initiated by the Trump administration, measures that appear economic in form—such as tariffs—have, in practice, incorporated security considerations, particularly in dealings with US allies. Security guarantees provided by the United States have been explicitly linked to economic concessions. Thus, the proposed "Mar-a-Lago Accord" represents an even more direct fusion of economic and security objectives, openly bundling the two into a single strategic framework.

4. Principles for Advancing High-Quality Belt and Road Cooperation

The BRI is fundamentally development-oriented. Its pursuit of high-quality development—defined by high standards, improved livelihoods, and sustainability—means that it neither seeks to build an alternative system outside the existing global governance framework nor merely replicate that framework. Rather, it aims to move beyond it. Against this backdrop, advancing high-quality BRI cooperation, particularly through institutionalization ("soft connectivity"), requires adherence to the following principles.

4.1 Upholding the Principle of Extensive Consultation, Joint Contribution, and Shared Benefits

The core of extensive consultation lies in achieving consensus among partner countries, embodying the democratization of international relations. This principle affirms that all countries—regardless of size or level of development—participate on an equal footing. Institutionalization requires not only equality in rule-making but also in the implementation of international rules. The essence of joint contribution is that governance systems are constructed collectively. In institutional development, this principle requires that the rights and obligations of participating countries be appropriately matched, which constitutes a necessary condition for the sustainability of international cooperation. The principle of shared benefits emphasizes that the benefits of development should be shared by the people of all participating countries, thereby providing a foundation for common development.

At the same time, it must be recognized that fully embedding the principles of extensive consultation, joint contribution, and shared benefits throughout the institutionalization process is far from straightforward. This challenge is closely tied to the allocation of rights, responsibilities, and interests among participating countries. Practical experience from the existing global governance system demonstrates that several difficulties are inherent. First, there is the tension between democracy and efficiency: consensus-based decision-making enhances democratic legitimacy but often comes at the expense of efficiency. With more than 150 countries participating in the BRI, achieving unanimity across all areas of rule-making poses a significant theoretical and practical challenge. Second is the principal-agent problem and associated moral hazard.

As the initiator of the BRI, China is viewed by some partner countries as the principal, leading them to emphasize consultation and benefit-sharing while showing limited enthusiasm for joint contribution—sometimes even treating the BRI as a form of Chinese foreign aid. Third, there is a tendency to project the institutionalization model of the existing global governance system onto expectations for the future trajectory of BRI institutional development.

4.2 Adherence to a Balanced Approach between Righteousness and Profit

Amid Trump's second term and the growing global deficit in public goods, it is particularly important to maintain a balanced approach between righteousness and profit. This principle is integral to the BRI's positioning as the overarching framework of China's economic diplomacy—a role explicitly articulated by President Xi Jinping as early as October 2015 (Xi, 2023). In broad terms, economic diplomacy refers to the coordinated use of economic instruments to advance diplomatic objectives, and of diplomatic engagement to facilitate economic outcomes. The scope, objectives, and implementation mechanisms of the BRI clearly situate it within this domain. What distinguishes China's approach is not the use of economic diplomacy per se, but the logic that structures the relationship between state objectives and market behavior. In contrast to certain Western models of economic diplomacy that employ a "carrot-and-stick" approach predicated on specific value conditions, China's economic diplomacy is guided by the principle of upholding justice while pursuing shared interests. The conception of righteousness and profit (*Yi-Li Guan*) is a central ethical construct in Confucian thought, governing the relationship between moral rightness (*yi*) and material gain (*li*). Drawing on this tradition, President Xi Jinping has endowed it with new contemporary significance—prioritizing righteousness, integrating righteousness with profit, unifying giving and receiving, balancing long-term and short-term interests, and aligning national strategic goals with corporate objectives. Accordingly, the correct conception of righteousness and profit fundamentally shapes the model of interest distribution between China and partner countries under the Belt and Road Initiative (BRI). Its core task is to integrate interest with righteousness—bridging the state's national developmental goals (*yi*, righteousness) with enterprises' legitimate pursuit of profitability (*li*, interest) —thereby giving concrete effect to the BRI's role as the top-level design of China's economic diplomacy (Li, 2021).

As the BRI moves toward deeper institutionalization, managing the relationship between government and market actors becomes increasingly critical. In the initiative's initial phase, the Chinese government acted primarily as initiator and coordinator, while state-owned enterprises (SOEs) and developmental financial institutions dominated project implementation. Given the high risk and long payback periods associated with large-scale infrastructure investment, participation by private Chinese firms and foreign enterprises remained limited. This concentration of market actors prompted skepticism among some Western scholars regarding the initiative's motivations and long-term sustainability. In the current stage of high-quality development, diversification of market participation is both necessary and inevitable. Greater involvement by private Chinese firms, host-country enterprises, and third-country investors is essential to enhancing resilience and sustainability. At the same time, a structural tension persists. In line with the correct view of righteousness and profit, China upholds the principle of prioritizing host-country benefit and long-term project success — accepting lower short-term returns, emphasizing sustainable outcomes for partners, and even giving more while taking less (or sometimes giving without taking). These priorities reflect the state's commitment to meaningful, mutually beneficial cooperation. However, enterprises—whether state-owned, private, or foreign—cannot be required to sacrifice profit maximization to achieve these aims. The government cannot impose such an expectation even on Chinese state-owned enterprises, let alone on private or foreign firms.

Accordingly, in institutionalizing the BRI, governments should guide enterprises through market-based instruments—such as taxation, financing, and insurance—to align corporate behavior with an appropriate balance between righteousness and profit. In this sense, adherence to this principle is fully compatible with market-oriented practices, allowing the two to be unified rather than in tension.

4.3 Implementing the Principle of Gradual and Steady Progress

The institutionalization of the BRI is a process of building from the ground up. It cannot be accomplished overnight, nor does it follow any ready-made model that can be replicated. From a feasibility perspective, only an approach that proceeds step by step and advances steadily can ensure substantive and durable outcomes. To address the difficulties involved in implementing the principles of extensive consultation, joint contribution, and shared benefits, institutionalization must achieve breakthroughs in at least two respects.

First, promoting multilateralism through open regionalism. As an important practical platform for building a shared future for humankind, adherence to multilateralism is intrinsic to the BRI. However, from an operational standpoint, institutionalization cannot begin directly with full-fledged multilateralism—particularly at a time when economic globalization is undergoing adjustment and divergences in national interests are widening. Under such conditions, starting from regionalism represents a feasible option. The development-oriented nature of the BRI makes it compatible with open regionalism. According to economic logic, open regionalism serves as a "stepping stone" toward multilateralism, whereas closed regionalism becomes a "stumbling block". Viewed in this light, the concept of open regionalism provides theoretical support for advancing the development of free trade areas (FTAs) within the BRI framework. In December 2014, at the 19th collective study session of the Political Bureau of the 18th CPC Central Committee, General Secretary Xi Jinping proposed accelerating the implementation of the free trade area strategy by gradually building a globally oriented FTA network radiating from the BRI and actively negotiating FTAs with BRI partner countries and regions[11].

Second, against the backdrop of setbacks to global multilateralism, adopting plurilateralism to build a diversified set of rules and mechanisms is a viable option. The core of plurilateralism lies in respect for participants' willingness to engage: rules apply only to those who choose to accept them—"those who sign are those who are bound". When differences in participants' perceptions

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[11] Source: Guangming Daily, "Expedite the Implementation of the Free Trade Zone Strategy and Accelerate the Establishment of a New System for an Open Economy," December 07, 2014, https://epaper.gmw.cn/gmrb/html/2014-12/07/nw.D110000gmrb_20141207_2-01.htm.

and interests cannot be reconciled, plurilateralism offers a decision-making approach that balances democratic participation with efficiency. For many years, we have not paid sufficient attention to plurilateralism, largely because it departs from the consensus-based principle long upheld by the World Trade Organization (WTO). By attempting to exclude China from multilateral trade negotiations, certain Western powers are setting a precedent that threatens global trade governance. If such exclusionary tactics gain widespread traction, the WTO risks evolving into a bifurcated system, characterized by a core set of universal rules and a secondary, exclusive layer of standards. This could, first, weaken the WTO's role as the global rule-maker and enforcer for trade and investment—especially when conflicts arise between multilateral and plurilateral rules—and, second, expose China to the risk of a "second accession". Nevertheless, compared with a situation in which no rules can be agreed upon, rules reached through plurilateral arrangements still constitute a Pareto improvement.

Plurilateralism may become a preferred approach to international rule-making in the future. In the post-tariff war period, bloc-based arrangements are likely to play a more prominent role in the global economy. US Trade Representative Greer has proposed that the United States will form alliances with countries sharing common interests in specific areas, reach high-standard agreements on selected issues, and open these arrangements to other countries with similar interests and the willingness to implement such standards. In practice, the Indo-Pacific Economic Framework (IPEF), launched during the Biden administration, is a plurilateral initiative.

With respect to BRI institutionalization, introducing plurilateralism is entirely feasible. Over the past twelve years, participation in the BRI has not been subject to rule-based thresholds. The adoption of plurilateral arrangements does not represent a retreat from multilateralism; rather, it allows participating countries to choose involvement in institutionalized cooperation based on their own needs and preferences. This form of plurilateralism reflects openness in a substantive sense.

5. Directions for Advancing the Belt and Road Initiative during the 15th FYP Period

Building on the real progress achieved during the 14th FYP period, the BRI enters the 15th FYP period at a pivotal moment—one that demands equal attention to development and strategic security. Shaped by a more volatile global environment and the core requirements of Chinese modernization, this next phase must pursue high-quality cooperation that is both expansive and resilient.

5.1 Expanding the Spatial Layout of High-Quality Belt and Road Cooperation

Over the next five years, the BRI should prioritize neighboring countries, build on the Global South as its core foundation, and expand toward developed economies.

At the economic level, neighboring countries have already become China's most important partners. Of the six major economic corridors under the land-based Silk Road framework, five are oriented toward China's surrounding regions. Over the past thirteen years, progress in "hard connectivity" has been most evident in these neighboring areas. At the strategic level, neighboring countries occupy a central position in China's overall foreign strategy. The April 2025 Central

Conference on Work Related to Neighboring Countries formally established the BRI as the primary vehicle for building a "Neighborhood Community with a Shared Future", elevating this objective to a cornerstone of China's external strategy.

As a rising collective, the Global South has become a key focus of major-power rivalry. More importantly, there exists an inherent alignment between the Belt and Road Initiative and the development aspirations of Global South countries, which underpins their strong willingness to participate.

While Western countries remain rhetorically opposed to the BRI, they continue to engage with its frameworks at the functional level, driven by a pragmatic interest in the initiative's transcontinental connectivity. The New Eurasian Land Bridge Economic Corridor and the China-Europe Railway Express are the most representative examples. Exploring multiple direct and indirect avenues for integrating developed countries into Belt and Road cooperation should therefore remain an important area of focus.

5.2 Improving "Hard Connectivity" with a Security Orientation

Corridor security is the primary issue that "hard connectivity" must address. During the 15th FYP period, the focus on "hard connectivity" will be on supplementing and improving existing arrangements within the framework of "Six Corridors, Six Routes, Multiple Countries, and Multiple Ports". Against the backdrop of heightened geopolitical risks affecting the traditional northern route of the New Eurasian Land Bridge, greater emphasis will be placed on southern routes. The China-Kyrgyzstan-Uzbekistan railway, which broke ground in July 2025 and is expected to be completed by 2031, will open a new land corridor. At the same time, the "Middle Corridor", running through Kazakhstan, the Caspian Sea, Azerbaijan, Georgia, and Turkey, will form a new overland passage linking China and Europe. Together, the northern, central, and southern routes can reduce the geopolitical risks associated with reliance on a single corridor and may connect the New Eurasian Land Bridge Economic Corridor with the China-Central Asia-West Asia Economic Corridor, potentially integrating to form a truly interconnected Eurasian economic corridor[12].

Another key focus of corridor development lies in the Indochina Peninsula. Political mutual trust and the scope for economic cooperation between China and countries in this region are unmatched elsewhere. Accordingly, accelerating the construction of the "Pan-Asia Railway Network" will be a priority task for advancing "hard connectivity" within the China-Indochina Peninsula Economic Corridor over the next five years. The Pan-Asia Railway Network consists of three interconnected routes: the eastern route linking Guangxi and Yunnan with Vietnam, Cambodia, and Thailand; the western route running from Yunnan through Myanmar to the Indian Ocean; and the central route passing through Laos, Thailand, Malaysia, and onward to Singapore.

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[12] Each of the three corridors—Northern, Central, and Southern—carries its own distinct risks. While the Northern and Southern routes face overt geopolitical and counter-terrorism threats, the Central route is equally vulnerable. A primary source of risk is the Zangezur Corridor; linking mainland Azerbaijan to its Nakhchivan exclave through Armenia, it has long posed major security risks due to three decades of bilateral conflict. On August 8, 2025, under the mediation of US President Trump, the two nations initialed a preliminary peace framework agreement, which grants the United States exclusive development rights and a 99-year operating lease for the corridor.

To date, substantive progress has been made on the central route. In 2025, the Chinese and Vietnamese governments reached a consensus on rail connectivity linking Guangxi and Yunnan with northern Vietnam; in the same year, Myanmar's leadership, while attending the Shanghai Cooperation Organization (SCO) summit, explicitly expressed its intention to accelerate the construction of the China-Myanmar Economic Corridor.

In addition, the Maritime Silk Road, the Air Silk Road, and the New Western Land-Sea Corridor—centered on ports, airports, and industrial parks—will also constitute important components of "hard connectivity" development over the next five years.

5.3 Advancing "Soft Connectivity" through Institutionalization

In the BRI's initial phase, a prevailing view among observers, both domestic and international, was that the initiative did not necessitate formal institutional frameworks. Some Western observers even mischaracterized this initial flexibility as a sign of 'low quality.' This reflects a fundamental misunderstanding of the BRI's development-oriented philosophy. The defining feature of the BRI is its development orientation, which stands in contrast to the rule-oriented logic of the existing global governance system. A rule-oriented approach establishes rules first and negotiates cooperation only afterward, resulting in high institutional thresholds that often exclude many countries, particularly the least developed ones. A development-oriented approach, by contrast, prioritizes cooperation first and formulates rules in response to concrete cooperative needs. This sequence embodies a genuinely open logic. The absence of a complete and explicit rule framework in the BRI's initial phase, therefore, did not imply a rejection of rules; rather, it explained why institutionalization was not placed on the agenda during the first decade.

During the 14th FYP period, "soft connectivity" centered on institutional development began to take shape; during the 15th FYP period, it will become a key lever for advancing high-quality development. At the Fourth BRI Symposium held in December 2024, President Xi Jinping identified nine priority areas for strengthening institutional mechanisms in high-quality BRI cooperation, providing clear guidance for future efforts. These include improving mechanisms for coordinating BRI cooperation planning; strengthening coordination among hard connectivity, soft connectivity, and people-to-people connectivity; enhancing practical cooperation in industrial and supply chains; improving international cooperation in emerging fields; strengthening diversified investment and financing support mechanisms; improving coordinated internal and external risk prevention and control mechanisms; enhancing protection of overseas interests; strengthening high-level international communication mechanisms; and advancing cooperation under the Clean Silk Road[13].

An important vehicle for advancing institutionalization-based soft connectivity is the economic corridor. An economic corridor refers to a mechanism that links economies along specific geographical markers—such as rivers, mountain ranges, regions—or transport routes, with the core function of addressing imbalances in regional development. Under this definition, both

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[13] Source: Xinhua News Agency, "Xi Jinping's Address at the Fourth BRI Symposium: Advancing High-Quality Development," January 15, 2026, https://www.mofcom.gov.cn/syxwfb/art/2024/art_8b480b3b74eb4507ab17b275d2ead9e5.html.

the six major land-based Silk Road economic corridors and the Maritime Silk Road effectively constitute economic corridors. Economic corridors are not static constructs. Experience shows that their evolution from inception to maturity typically unfolds through four stages. The first stage is a narrowly defined corridor centered on transport infrastructure. The second stage involves broadening the corridor: while transport routes can stimulate interregional trade, they are not sufficient in themselves to drive sustained economic growth. To generate spillover effects along the route, it is necessary to improve the investment environment and promote urbanization and industrialization through instruments such as industrial parks and technology zones, allowing the corridor to expand from a linear form into a belt-shaped one. The third stage focuses on trade facilitation, promoting cross-border flows of goods, services, and people to consolidate the corridor. The fourth stage emphasizes coordination among development plans and policies across countries or regions, forming a fully fledged cross-border economic corridor[14]. Viewed in this light, the upgrading of economic corridors is itself a process of institutionalization. This process inevitably involves multiple dimensions, including relations between governments and enterprises, interactions between Chinese firms and foreign firms, transformations in investment and financing mechanisms, trade and investment facilitation policies, and intergovernmental policy coordination (Li, 2023). To date, most economic corridors under the BRI framework remain at the first or second stage. Consequently, future institutional development of the BRI is likely to evolve in tandem with the upgrading of economic corridors, with the two reinforcing each other in a mutually supportive dynamic.

5.4 Advancing People-to-People Connectivity through "Small yet Smart" Projects

People-to-people connectivity is, to a certain extent, the outcome of progress in hard and soft connectivity, and its means and pathways are necessarily diverse. Here, the discussion focuses on a single institutionalized approach: "small yet smart" projects. At the Fourth BRI Symposium in December 2024, President Xi Jinping explicitly emphasized the need to coordinate the advancement of major landmark projects with the development of "small yet smart" livelihood projects[15]. Unlike the commercial notion of "small yet smart", projects of this kind under the Belt and Road framework are defined in relation to large-scale infrastructure projects. Their basic characteristics include short investment cycles, quick and tangible results, and a strong concentration in livelihood-related areas, thereby enhancing the public's sense of benefit and fulfillment. Typical examples include projects in education, healthcare, environmental protection, and small-scale infrastructure for water, electricity, and gas in sparsely populated areas. Their financing sources mainly consist of, first, investments provided by large enterprises in fulfillment of corporate social responsibility, and second, government-led overseas livelihood assistance programs (Youth Theory Study Group of the Department of International Economic Cooperation,

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[14] For an analysis of the stage-based classification of economic corridors, see Srivastava (2011).

[15] Source: Xinhua News Agency, "Xi Jinping Stresses Strengthening Strategic Confidence and Taking Responsibility to Comprehensively Advance High-Quality Belt and Road Cooperation at the Fourth Symposium on BRI Development," January 15, 2026, https://www.mofcom.gov.cn/syxwfb/art/2024/art_8b480b3b74eb4507ab17b275d2ead9e5.html.

Ministry of Commerce, 2025). Adherence to the principle of upholding justice while pursuing shared interests in Belt and Road cooperation makes it fully feasible to promote “small yet smart” projects as an institutionalized arrangement.

6. Conclusion

The BRI is not a solo performance by China, but a chorus involving all participating parties. Each partner country has its own interests and priorities, and evaluating progress and planning future directions is inherently demanding. This paper adopts the analytical framework of hard, soft, and people-to-people connectivity to identify the common denominator among the demands of participating countries. Even so, many areas and issues remain beyond the scope of the analysis, which is closely related to the openness of BRI participation and the diversity of its objectives. Looking ahead, there is a need to develop a more conceptually robust theoretical framework that provides scholars from participating countries with a shared analytical template. Developing such a framework is essential not only for narrating the Belt and Road story with greater conceptual clarity to a global audience but also for deepening the people-to-people bonds that lie at its heart.

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