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PARTICIPATION IN THE BELT AND ROAD INITIATIVE:

WHO JOINS AND WHY?

by

Patrick S. Groening

A Thesis Submitted in Partial Fulfillment
of the Requirements for a Degree with Honors
(International Affairs)

The Honors College

The University of Maine

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ABSTRACT

The Belt and Road Initiative (BRI) is a large-scale, global infrastructure project introduced by Chinese President Xi Jinping in 2013. The primary goal is to invest in infrastructure projects across Eurasia and Africa in an effort to improve regional connectivity. This research explains who participates in the BRI through cross-country quantitative analysis and two in-depth qualitative case studies. Through a logit analysis of political economy factors such as GDP per capita, FDI inflows, aid data, and others, I find that economic need is a significant predictor of membership as well as previous involvement in Chinese organizations such as the AIIB. Two case studies into prominent BRI members – Kazakhstan and Italy – explore why different countries decide to participate, and the economic benefits and political controversies following that decision. Kazakhstan was the first official member of the initiative and was where Chinese President Xi Jinping announced the commencement of the BRI's overland section. Italy joined in 2019 and was the first of the G7, and largest EU economy, to join. Overall, this project will allow for an understanding of why so many nations are joining the BRI and what participation signifies. This analysis is important due to the complex nature of the BRI and the varying responses and impacts it has generated worldwide, including immense criticism within the United States and many of their allies.

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LIST OF ABBREVIATIONS

AIIB-----	Asian Infrastructure Investment Bank
APEC-----	Asia-Pacific Economic Cooperation
BRI-----	Belt and Road Initiative
CCP-----	Chinese Communist Party
CEF-----	Connecting Europe Facility
CNPC-----	China National Petroleum Corporation
EU-----	European Union
FDI-----	Foreign Direct Investment
GDP-----	Gross Domestic Product
GDP-PC-----	Gross Domestic Product per Capita
HIBE-----	High Income Big Economy
MoU-----	Memorandum of Understanding
NATO-----	North Atlantic Treaty Organization
OBOR-----	One Belt, One Road
SEZ-----	Special Economic Zone
UK-----	United Kingdom
UN-----	United Nations
U.S.-----	United States
USD-----	United States Dollars

INTRODUCTION

Since Chinese President Deng Xiaoping began his reforms of the Chinese government and economy in 1978, China has launched into the global arena at an unprecedented rate. The Chinese economy has gone from a Gross Domestic Product (GDP) of around 0.1 trillion USD in 1978 to over \$14 trillion in 2018, making it the second-largest economy in the world.¹ By 2009, China was exporting more goods than any other nation and they became the largest trading nation by 2013.² Similar growth has been seen in China's military, which has risen to be the second-best funded in the world behind the U.S.³

One way we see this emergence of China to the global stage is through overseas initiatives. In November 2012, Xi Jinping was announced as the leader of the Chinese Communist Party (CCP) and the head of the Chinese military.⁴ Soon after, in March 2013, Xi was elected President of the People's Republic of China.⁵ Later that year, President Xi announced his plans for an ambitious infrastructure plan aimed to help bolster Eurasian connectivity with China. Xi proposed this project as a revitalization of the ancient Silk Road and called it the Silk Road Economic Belt and the 21st Century

¹ Phillip Inman and Lily Kuo, "China Feels the Squeeze of Trump's Trade War as More Tariffs Loom | Business | The Guardian," *The Guardian*, January 5, 2019, <https://www.theguardian.com/business/2019/jan/05/china-economy-slowdown-us-tariffs-trade-war>.

² Jonathan Woetzel et al., "China and the World: Inside a Changing Economic Relationship | McKinsey," July 2019, <https://www.mckinsey.com/featured-insights/china/china-and-the-world-inside-the-dynamics-of-a-changing-relationship>.

³ Ben Westcott, "China's Military Is Going from Strength to Strength under Xi Jinping," *CNN*, March 4, 2019, <https://www.cnn.com/2019/03/04/asia/china-military-xi-jinping-intl/index.html>.

⁴ Tania Branigan, "Xi Jinping Takes Reins of Communist Party and Chinese Military," *The Guardian*, November 15, 2012, sec. World news, <https://www.theguardian.com/world/2012/nov/15/xi-jinping-communist-party-chinese>.

⁵ Tania Branigan, "Xi Jinping Becomes China's President," *The Guardian*, March 14, 2013, sec. World news, <https://www.theguardian.com/world/2013/mar/14/xi-jinping-installed-china-president>.

Maritime Silk Road, or the One Belt One Road (OBOR).⁶ It later came to be known as the Belt and Road Initiative, or BRI. While many nations have joined the initiative with hopes of buoying their economy through infrastructure investment, boosting economic growth, or perhaps simply coming closer to China diplomatically, there has also been much criticism. Critics, including the U.S. and Germany, warn nations that the BRI is a debt trap and should be avoided.⁷ It is unclear if the warnings of the critics should be heeded, and if the joiners are making a serious strategic error.

The goal of this thesis is to examine the motivations of the BRI, particularly of the member states. It asks the question: why do states join? The first chapter will detail what the BRI is, according to President Xi Jinping and experts on China and Eurasia, and the goals of the initiative. The second chapter will include information about all participating members of the BRI. This section will discuss trends in national data which may indicate why one nation decides to participate and another does not. These national data sets include national GDP, GDP per capita, foreign bilateral aid flows, Foreign Direct Investment (FDI) inflows, debt stocks, and Chinese aid data. I find that smaller and poor economies are more likely to join the BRI, holding all else equal and controlling for other political economy factors. Additionally, a nation's involvement in the Asian Infrastructure Investment Bank (AIIB) increases the likelihood of BRI membership. These data indicate why one nation may be prone to join the BRI, while another is not, however it does not tell the whole story. For this, an analysis of the motivation of individual member nations is required.

⁶ Catherine Trautwein, "All Roads Lead to China: The Belt and Road Initiative, Explained," FRONTLINE, June 26, 2019, <https://www.pbs.org/wgbh/frontline/article/all-roads-lead-to-china-the-belt-and-road-initiative-explained/>.

⁷ Ibid.

In order to look deeper into the whole story of why some nations join the BRI, the third and fourth chapters of this thesis will consist of two case studies into BRI participating nations. The first case study is Kazakhstan. This case study was picked because Kazakhstan was where President Xi Jinping first chose to announce the BRI. Kazakhstan has a long history with China, is a bordering nation, and is one of the first BRI members, allowing for an examination of how well the BRI is working for a long-standing member and what being a member means for a country that already had a strong relationship with China. The second case study is Italy, one of the most recent nations to announce their participation in the BRI. A case study into Italy's BRI membership helps examine why some European nations may decide to participate, as well as why others are critical of the initiative, because Italy is the largest European Union (EU) member to have joined so far and the first of the G7 nations. This case study will also help see how the BRI is working for nations which do not border China and were not in the initial plan, as Kazakhstan was, helping to see how the BRI has evolved since its announcement in 2013.

The thesis will then conclude by putting all of the national data together, along with the examination into the two case studies, to answer the questions: What factors have driven so many nations to sign onto the Belt and Road Initiative and what results of these relationships can already be seen? Are there common factors that drive nations to form relationships with China, besides a common need for improved infrastructure? Why are some nations forming bonds with China while others are holding back? This thesis is intended to try to answer those questions and give a look into the ever-rising role of China and the BRI in the global arena.

CHAPTER I

WHAT IS THE BELT AND ROAD INITIATIVE?

The Announcement

The Belt and Road Initiative was first announced by President Xi Jinping during an official state visit to Kazakhstan on September 7, 2013. During that visit, President Xi gave a speech unveiling his plans for the “Silk Road Economic Belt,” an overland collection of trade routes through Eurasia. The second half of the BRI, the 21st Century Maritime Silk Road, was announced later that year during President Xi’s visit to Indonesia. Together, the two parts of the project were coined the “One Belt, One Road” initiative.⁸ The name was later changed to the Belt and Road Initiative in 2016. The change was intended to move away from the term “one” which often created confusion that the initiative only included one road and one maritime route, which created unnecessary competition in the region.⁹

In his announcement, President Xi described the plans for the initiative as consisting of a large system of railways, roads, maritime routes, pipelines, and more passing throughout Asia and Eastern Europe, and extending overseas into Eastern Africa. The plans also called for the creation of 50 special economic zones. These would be modeled after the Shenzhen Special Economic Zone, which was created in the 1950s under the

⁸ Andrew Chatzky and James McBride, “China’s Massive Belt and Road Initiative,” Council on Foreign Relations, May 21, 2019, <https://www.cfr.org/backgrounder/chinas-massive-belt-and-road-initiative>.

⁹ Una Alexander Berzina-Cherenkova, “BRI Instead of OBOR – China Edits the English Name of its Most Ambitious International Project,” July 28, 2016, <https://www.lai.lv/viedokli/bri-instead-of-obor-china-edits-the-english-name-of-its-most-ambitious-international-project-532>.

leadership of Deng Xiaoping. The plan also called for the construction of maritime ports in nations that border the Indian Ocean, from Southeast Asia to East Africa.¹⁰

Chinese Intentions

President Xi Jinping has stated from the beginning of the initiative that the Chinese intentions for the BRI are to increase connectivity throughout Eurasia and promote trade, economic growth, and infrastructure development. On November 8, 2014, President Xi gave a speech in Beijing at the APEC Summit during which he described his, and China's, goals for the future of Eurasia, particularly regarding the BRI.¹¹ He stated that increasing Asian connectivity and development is a top priority for China. Specifically, President Xi said he wants to "break the bottleneck in Asian connectivity" and that the best way to do this is through the BRI, as well as the Silk Road Fund.¹² This "bottleneck" is likely referring to low levels of land trade across Central Asia. As of 2019, the amount of goods transported overland across the region was less than 2% of what is transported by sea.¹³ The bottleneck will be broken through an increased economic flow, creation of jobs, increased investment, and cultural exchange across the continent.¹⁴

In his speech, President Xi compared the new initiative to the ancient Silk Road which connected China to the rest of Eurasia through a vast network of trading routes. He said the ancient Silk Road shows how humanity has always strived for increased connectivity

¹⁰ Ibid.

¹¹ Xi Jinping, "Connectivity Spearheads Development and Partnership Enables Cooperation," accessed August 20, 2019, <https://www.fmprc.gov.cn/ce/ceindo/eng/jrzg/t1211795.htm>.

¹² Ibid.

¹³ "Enhancing Connectivity and Freight in Central Asia" (International Transport Forum, 2019), <https://www.itf-oecd.org/sites/default/files/docs/connectivity-freight-central-asia.pdf>.

¹⁴ Hui Lu et al., *China Belt and Road Initiative: Measuring the Impact of Improving Transportation Connectivity on Trade in the Region* (RAND Corporation, 2018).

and the new Belt and Road project is the opportunity to gain that connectivity back in the modern world, especially since, as Xi claimed, connectivity, trade, and economic growth have declined worldwide since the 2008 financial crisis. Xi stated that with the backdrop of the global economic situation, and ever-advancing technology, this is the time for Asian nations to work together again to build up a community of trade and advancement through the BRI.¹⁵

President Xi stated in this speech that it is important for all Asian nations to work together to achieve this goal of increased connectivity. He discussed that there are many challenges to reaching their goals. These challenges include that wide diversity of systems and the need for money, as this is a very costly endeavor. They must, Xi said, build a more open economy in Asia and the peoples of the continent need to be brought together. Overall, President Xi said to the assembled world leaders that their goal is advancement, prosperity, and connectivity. He stated:

“We need to realize the Asian people’s dream for happiness. Each new transport route carries on it people’s dream for happiness. In stepping up connectivity in Asia, we will open more windows for people to observe the world, pursue their dreams, and broaden their path to move from poverty to prosperity.”¹⁶

Beyond what President Xi himself as said, Hong Yu of the East Asian Institute at the National University of Singapore conducted a study in 2016 into the motivation behind the BRI.¹⁷ In this study, he wrote the major goal of China with the BRI, besides improved connectivity and trade, is an increase in geoeconomic and geopolitical influence in the region, and worldwide. Through the establishment of the BRI, China will be able to gain

¹⁵ Xi Jinping

¹⁶ Ibid.

¹⁷ Hong Yu, “Motivation behind China’s ‘One Belt, One Road’ Initiatives and Establishment of the Asian Infrastructure Investment Bank,” *Journal of Contemporary China* 26, no. 105 (May 4, 2017): 353–68.

access to energy and natural resources from other Asian nations such as Kazakhstan, Turkmenistan, and Russia. This increase in geoeconomic power and geopolitical influence will help them continue to stimulate economic growth within China and drive their economic interests abroad. The BRI is an excellent project through which China can strengthen their ties with the global community and exert their economic might upon the rest of Eurasia, particularly in a world of ever-growing global interdependence.¹⁸

China's major objective with the BRI, as stated by Hung Yu, is to "maintain friendly neighborhood relations by promoting regional economic integration and improving regional connectivity, in order to achieve primacy in the region and beyond."¹⁹ President Xi wants China to be the leader in improving Eurasian connectivity and promoting trade and infrastructure development across the continent. Infrastructure development through the BRI, a major key to economic prosperity, will boost trade, economic growth, and regional connectivity. Indeed, Asia already has accounted for over 50% of China's foreign investment in the last decade and Chinese ports lead the world in global shipping and cargo transportation.²⁰ The BRI, President Xi hopes, will be the key to making China a global economic power, expanding the use and strength of Chinese currency, and will allow Eurasia to become fully interconnected and prosperous again, as in the days of the ancient Silk Road.

While discussions of the BRI have been largely focused around the international aspects of the initiative, it also is intended to promote domestic growth in China. President Xi intends the initiative to help promote and support China's economy. One

¹⁸ Ibid.

¹⁹ Ibid., 357

²⁰ Ibid.

way the BRI is being used increase China's economic growth is through its connection with the Made in China 2025 plan which was started in 2015. Five of the ten technology industries this project is working to upgrade are linked to the success of the BRI.²¹ The BRI is intended to promote domestic growth in other ways too, including lessening the development gap between China's coast and the rest of the nation, improving their energy security, and "expand [their] circle of friends" in order to gain entry into new foreign markets.²²

Furthermore, China hopes that the BRI will help promote sustainable growth in their economy by tackling their excess capacity issue. Excess capacity is the result of an imbalance in the supply versus demand of a product. This causes a downturn in economic growth. China has faced this issue with a number of goods, particularly steel and iron.²³ One way to solve the issue of excess capacity is to increase external demand. The nations joining the BRI will "provide new markets for China's enormous excess of manufactured products and construction capacity."²⁴ This will then begin to address the excess capacity issue in China and allow for continued domestic economic growth.

²¹ Nadège Rolland, "A Concise Guide to the Belt and Road Initiative," *The National Bureau of Asian Research (NBR)* (blog), April 11, 2019, <https://www.nbr.org/publication/a-guide-to-the-belt-and-road-initiative/>.

²² Ibid.

²³ Hu Caimei, "To Eliminate Excess Capacity - China Development Institute," China Development Institute, accessed March 24, 2020, <http://en.cdi.org.cn/component/k2/item/298-to-eliminate-excess-capacity>.

²⁴ Yu, 358

Where is it?

“Covering 65 countries and reaching 62% of the global population, all the while accounting for nearly a third of global GDP and approximately 35% of global merchandise trade, the BRI is arguably the most ambitious example of global economic statecraft in the twenty-first century.”²⁵

Upon its announcement, China stated that the Belt and Road Initiative covered the area that was part of the ancient Silk Road. However, China also maintained that the BRI was not limited to these nations and was open to all nations who wished to contribute to the initiative’s stated goal of connectivity. By August of 2015, the China International Trade Institute reported that 65 countries, including China, had been confirmed as participating members of the BRI. This number included much of Asia, parts of the Middle East and North Africa, and a large amount of Eastern European nations. Together, these nations contained, as of that time, 62.3% of the world’s population and accounted for 30% of global GDP.²⁶

Today, it is unclear what it means for a nation to be a BRI member. There exists little information concerning the exact number of nations that are participating or what actually constitutes a state becoming a BRI member. Some studies and articles put the number well above 100. China themselves often cite any nation that has received infrastructure development aid, or other types of aid, from China since 2013 as a member. This includes nations across Eurasia, Africa, and Central and South America. As of April 2019, China has begun an attempt at defining what exactly must be present in the relationship between

²⁵ Wenxian Zhang, Ilan Alon, and Christoph Lattemann, eds., *China’s Belt Road Initiative: Changing the Rules of Globalization*, Palgrave Studies of Internationalization in Emerging Markets (Cham, Switzerland: Palgrave Macmillan, 2018), 25

²⁶ Helen Chin and Winnie He, “The Belt and Road Initiative: 65 Countries and Beyond” (Fung Business Intelligence Centre, May 2016), https://www.fbicgroup.com/sites/default/files/B%26R_Initiative_65_Countries_and_Beyond.pdf.

China and foreign nations for that state to be considered a BRI member. President Xi has recognized a rise in the use of the term BRI to include almost all deals with China, which has hurt the initiative's reputation in many parts of the world. He is seeking to clarify who is, and is not, a BRI member for this reason. For now, however, it is still unclear how many nations are truly BRI members or would self-identify as such.²⁷

In order to begin my analysis of national motivations for BRI participation, I first had to find a solution to the membership ambiguity problem. I analyzed global data that may indicate membership, such as the existence of a memorandum of understanding (MoU) between China and another nation, if a nation attended the BRI forums, and if they have completed Chinese infrastructure projects within their borders. By the end of this analyses, I had identified 90 nations as members of the BRI. This included all nations which had signed official MoU's with China as well as a few that attended both BRI forums and had recognized BRI projects that had been undertaken in their country. While that list may not include every country which could be considered a member, it is a best assessment of the true extent of the BRI. A more detailed description of the analysis process that went into this list can be found in Chapter II.

²⁷ "China Moves to Define 'Belt and Road' Projects for First Time," *Bloomberg.Com*, April 3, 2019, <https://www.bloomberg.com/news/articles/2019-04-03/china-moves-to-define-belt-and-road-projects-for-first-time>.

CHAPTER II

WHY DO NATIONS PARTICIPATE?

Global Participation

President Xi Jinping initially marketed the Belt and Road Initiative toward Eurasian nations, aimed at improving connectivity and economic prosperity in the region. Today, the initiative has achieved a global presence well beyond Eurasia. In addition to Asia and eastern Europe, participating members include western European states, northern and sub-Saharan Africa, and Central and South America. These participating countries include some allies of the United States, which is a strong critic of the BRI, as well as nations which are members of the European Union and NATO. Why would these states want to join the BRI? Why do any nations want to join the BRI? In this section I will detail my research into BRI participation and my findings of common factors that may indicate why any nation, worldwide, would seek the form this alliance with China.

Methodology

In order to understand why nations choose to participate in the BRI, I first had to figure out which nations are members and which are not, and document what year they became members. In order to do this, I created a list of all 193 United Nations recognized countries in the world and identified a number of factors which may indicate membership in the BRI. These factors include the signing of an MoU, the existence of an official public announcement, Chinese infrastructure projects in the nation and the year of the first project, and whether that nation attended the BRI forums in 2017 or 2019.

Sources of these data varied and was challenging to complete. The easiest to find was the information on which national leaders attended the BRI forums, as this was publicly and consistently documented. Other information was more difficult, such as who had signed MoU's or made public announcements. The information on the existence of infrastructure projects was ultimately nearly impossible to find. This measure would be important to examine in future research.

Once I had found as much information as I could about the levels of involvement each nation had with China since 2013, I was able to determine which states I would consider members for the purposes of my study. MoU's were considered to be the best indicator of participation, so all nations which had signed an MoU were automatically placed in the member category. Most nations that had not signed MoU's were considered non-members, as that means there is no official statement between that nation and China claiming membership. However, there were some exceptions. I eventually placed some states which did not have MoU's into the members category. These were nations that had attended the BRI forums and/or had an officially recognized BRI infrastructure project that had been undertaken, even though I could find no information about an official declaration or MoU being signed. A spreadsheet of measurements used to determine possible BRI participation can be found in the Appendix.

This conclusion left me with a lower number of members than other sources, including China, often state. However, some of these sources identify all Chinese aid data since the 2013 BRI announcement to be part of the initiative, meaning any nation obtaining investments or aid from China during this time would be considered a member. I determined that this was a broad and ambiguous definition of BRI membership. In an

effort to ensure the most accurate results of my study, I opted to not include many of these nations. Instead, my study sought mutual official recognition of participation from China as well as the other nation in order to confirm their membership in the BRI. This study concluded with finding 90 nations that were officially recognized as BRI members under my criteria, a list of which can be found in the Appendix.

After determining which nations are BRI members, and the years they became members, the next step was determining factors that might indicate why these nations would opt-in to the initiative. These factors were examined together for all participating and non-participating states to look for correlations between the data and BRI membership or non-membership. I examined the following factors: national GDP, GDP per capita, aid inflows from the U.S., Japan, EU, and the UK, debt stocks, FDI inflows, UN affinity scores with the U.S. and China, capital distance from Beijing, if they share a border with China, whether they are an AIIB signatory, number of Chinese aid projects, and if they are located along the ancient Silk Road. The following sections details why I examined these data sets and what my hypotheses were for my findings.

Predictions

My predictions for the results of my tests were based on results of previous studies into these factors and my analysis of how those studies might relate to the BRI. A summary of my data and predictions can be seen in Table 1.

Table 1. Summary of the variables tested for correlation of likelihood to join the BRI, with minimum, mean, and maximum of each data set provided, as well as the predicted result.

<i>Variable</i>	<i>Minimum</i>	<i>Mean</i>	<i>Maximum</i>	<i>Prediction</i>
GDP (USD)	26,288,648	262,663,613,281	13,793,333,333,300	-
GDP-PC (USD)	187.1	12,131.2	139,767.0	-
Debt Stocks (USD)	17,989,034	25,629,278,546	360,000,000,000	+
U.S. Aid (USD)	-236,160,000	1,099,264,410	33,726,110,000	-
Japan Aid (USD)	-2,723,720,000	406,141,897	12,788,860,000	-
EU Aid (USD)	-156,330,000	646,498,359	14,655,570,000	-
UK Aid (USD)	-169,530,000	346,167,487	7,829,400,000	-
China Aid (USD)	0	1,085,471,825	36,296,766,554	+
FDI Inflow (USD)	-3.504	7.951	441.022	-
U.S. Affinity	0.06811	0.26279	1.00000	-
China Affinity	0.1551	0.7346	0.9156	+
Capital Distance (km)	820	8993	19275	-
Border China	No (179)	Not applicable	Yes (14)	+
AIIB Signatory	No (114)	Not applicable	Yes (75)	+
Ancient Silk Road	No (142)	Not applicable	Yes (47)	+
China Aid Projects	0	23.74	177	+

+ predicted positive correlation; - predicted negative correlation

Previous studies have found that there is a positive relationship between infrastructure development, particularly transportation infrastructure, and a nation's debt-to-GDP ratio. This means investment into transportation infrastructure can help increase economic

output, and thus GDP, which will help a nation in times of high debt.²⁸ The BRI is, primarily, an infrastructure investment project, and a large percentage of this infrastructure is based around transportation in order to increase trade and regional connectivity. Based on this past research, it appears that BRI involvement, and the infrastructure investment and development that follows, would help increase a nation's GDP and GDP per capita, which will then help decrease their national debt. Thus, I predicted that a nation with a higher debt-to-GDP ratio previous to BRI involvement would be more likely to agree to membership in order to improve this ratio and their economy. This means, based on my prediction, that a nation with a lower GDP and/or a lower GDP per capita would be more likely to join the BRI. Likewise, a nation with higher debt stocks would be more inclined to join.

Aid inflows from the U.S. were another indicator of BRI involvement that I considered. Since the end of World War One, the U.S. has been a global superpower with investments worldwide, becoming the only superpower after the Cold War. During that time, post-World War Two, we have lived in a world of *Pax Americana*: a period of relative global peace that has been attributed to American power and dominance.²⁹ Additionally, the U.S. was, for a long time, the largest global aid contributor. Since the 2008 financial crisis, this American power has weakened, opening a growing global power-vacuum. This has led many to wonder, with the rise of Chinese economic power, whether the world has begun a “transition from a *Pax Americana* to a *Pax Sinica*.”³⁰

²⁸ Doron Lavee, Gilat Beniad, and Charles Solomon, “The Effect of Investment in Transportation Infrastructure on the Debt-to-GDP Ratio,” *Transport Reviews* 31, no. 6 (November 1, 2011): 769–89.

²⁹ Christopher Layne, “The US--Chinese Power Shift and the End of the Pax Americana,” *International Affairs* 94, no. 1 (January 2018): 89–111.

³⁰ Wenxian Zhang, Ilan Alon, and Christoph Lattemann, eds., *China's Belt and Road Initiative* (Cham: Springer International Publishing, 2018)

Due to this decline in U.S. global presence, nations may begin to turn to China to make up for that loss, which I predict would be particularly seen through foreign aid inflows. China has steadily risen their foreign aid investments, even before the BRI. In fact, by 2009, China's commitment to foreign development aid was two times the commitment by the U.S., and China has remained the top global aid contributor ever since, particularly now due to the large amounts of aid flowing to BRI members.³¹ This subsequent decline in U.S. global leadership and rise in Chinese leadership led me to predict that a nation with lower amounts of incoming aid from the U.S. may be more likely to join the BRI in an effort to ensure they will have a continued supply of foreign investments into their economy and infrastructure development. Companies with more aid from the U.S., I then predict, may be less likely to join the BRI. This may be because those nations do not need the investment from China. Another possible reason would be that nations with high U.S. aid are likely allies of the U.S., and the Trump administration has been very cautious of Chinese investment, encouraging allies to "bar Chinese investment in 5G and other telecom infrastructure."³²

In addition to U.S. aid, I also examined the relation of BRI membership to Japan, United Kingdom, and European Union aid inflows. Similar to the U.S., Japan and the EU, as well as many EU member-states, have remained wary of Chinese investment and the BRI. In 2019, the EU and Japan signed their own free-trade agreement, the biggest in the world, and a "massive infrastructure deal to increase connectivity

³¹ "Five Countries That Provide the Largest Foreign Aid," The Borgen Project, March 14, 2018, <https://borgenproject.org/five-countries-that-give-the-largest-foreign-aid/>.

³² Andrew Chatzky, "China's Belt and Road Gets a Win in Italy," Council on Foreign Relations, March 27, 2019, <https://www.cfr.org/article/chinas-belt-and-road-gets-win-italy>.

between Asia and Europe,” seen partly as their response to the BRI.³³ Through this deal, and since the beginning of the BRI, Japanese Prime Minister Shinzo Abe has been marketing Japan as a “‘quality’ infrastructure alternative” to China.³⁴ Based on this agreement and Japan’s concerns and responses to the BRI, I predicted that nations with a higher amount of aid inflows from Japan would be less likely to join the BRI, because they would more likely share the views of Japan and seek to participate in trade agreements such as this one, rather than the BRI.

I made the same prediction for aid coming from the EU and the UK. Both the UK, and the EU as a whole, can be seen to be cautious of China’s initiative. In fact, when discussing the new trade and infrastructure deals with Japan, the President of the European Commission, Jean-Claude Juncker, stated: “connectivity must be sustainable in financial terms. We must bequeath to the next generation a more interconnected world, a cleaner environment and not mountains of debt. It’s also a question of creating interconnections between all countries in the world and not merely dependence on one country.”³⁵ While China was not directly mentioned, many listeners felt it was clear this comment was directed at China and the BRI. Thus, with this in mind, I anticipated that nations with more aid from the EU, and the UK, would be less likely to join the BRI out of a shared concern for Chinese investment.

Next, I predicted that FDI inflow amounts may be an indicator of potential BRI involvement. FDI is when a foreign national or business owns at least 10% of a domestic company. Developing nations rely on these investments in order to expand their goods

³³ William Pesek, “EU-Japan Axis Emerges to Counter China’s BRI,” Asia Times, October 9, 2019, <https://asiatimes.com/2019/10/eu-japan-axis-emerges-to-counter-chinas-bri/>.

³⁴ Ibid.

³⁵ Ibid.

into international markets and build up their economy.³⁶ Knowing that this reliance on FDI exists, I predicted that nations with lower investment inflows would be more likely to join the BRI in order to increase foreign investor amounts. Additionally, global FDI has fallen drastically since 2017, being down 13%, perhaps partly due to U.S. President Trump's tax cuts.³⁷ This means more nations may be turning to China and the BRI in order to fill this investment void that has been left by U.S. companies.

Next I analyzed UN affinity scores with the U.S. and with China. Previous research indicates that nations which vote more often with the U.S. at the UN are more likely to form treaties amongst each other than other nations.³⁸ Relating this tendency to the U.S. criticism of the BRI may indicate that nations which vote alongside the U.S. at the UN may be less likely to join the BRI because they have a higher probability of maintaining similar views as the U.S. This research may also hold true for nations that vote alongside China more often at the UN. This means those nations would be more likely to sign treaties or agreements with China. With that in mind, I predicted that nations which have a higher UN affinity score with China would have a higher probability of joining the BRI while nations with a higher affinity score with the U.S. would have a lower probability of joining.

Next, I predicted that nations which have capitals closer to Beijing, and particularly those nations which border China, would be more prone to join the BRI. This is because trade and business are easier to conduct between two nations with a close proximity to

³⁶ Amadeo Kimberly, "Foreign Direct Investment, How FDI Affects Your Life," The Balance, February 19, 2020, <https://www.thebalance.com/foreign-direct-investment-fdi-pros-cons-and-importance-3306283>.

³⁷ Ibid.

³⁸ Maurice A. East and Phillip M. Gregg, "Factors Influencing Cooperation and Conflict in the International System," *International Studies Quarterly* 11, no. 3 (September 1967): 244.

each other. A nation that is bordering China is much more likely to cooperate with a Chinese investment project than a country that is thousands of miles away because it is easier and makes sense to cooperate with their neighbors. Additionally, President Xi intends the BRI to improve regional connectivity. This means he will likely pursue the membership of nearby Asian, European, and North Africa nations more than those far away. This does not mean nations which are located geographically far from China will not be members, or that President Xi is not interested in their involvement, just that I predict those nations which are closer have a higher probability of membership.

The AIIB is an international bank founded by China in 2015. President Xi's intention for the bank is to fund infrastructure development across Asia: meaning a funding mechanism for the BRI.³⁹ Due to the AIIB's direct link to the BRI, I decided to analyze the relationship between a nation being an AIIB signatory and a BRI member. While I recognized that participation in the AIIB does not guarantee membership in China's initiative, such as with France and Germany which are AIIB signatories but critics of the BRI, I predicted that nations which are AIIB signatories will have a higher probability of being BRI members. I also predicted this membership relationship because previous research indicates that nations that join one international organization are likely to join others as well to try to gain the most benefits from membership. Additionally, existing alliances and trade partnerships increase the chance of shared membership in

³⁹ Jane Perlez, "China Creates a World Bank of Its Own, and the U.S. Balks," *The New York Times*, December 4, 2015, sec. Business, <https://www.nytimes.com/2015/12/05/business/international/china-creates-an-asian-bank-as-the-us-stands-alooof.html>.

international organizations, so, I predicted, a nation that is already allied with China through the AIIB will be more likely to join the BRI as well.⁴⁰

Lastly, I analyzed BRI membership compared to the route of the ancient Silk Road. The BRI is intended as a revitalization of the ancient Silk Road. In the official action plan for the initiative, it is stated that, “It covers, but is not limited to, the area of the ancient Silk Road.”⁴¹ Therefore, I predicted that, while any country may join, nations which are geographically located along the old trade routes of the Silk Road will be more likely to join the BRI than others.

Results

I used a logit model to test for the correlation of BRI membership probability with my variables. A logit model, or logistic regression, analyzes a dependent binary variable’s relationship with a set of independent variables. In this case, the binary variable is BRI membership, yes or no, and this was tested against the other factors mentioned above. The results of the logit model that was run can be seen in Table 2.

⁴⁰ Charles Boehmer and Timothy Nordstrom, “Intergovernmental Organization Memberships: Examining Political Community and the Attributes of International Organizations,” *International Interactions* 34, no. 3 (November 26, 2008): 282–309.

⁴¹ Chin and He

Table 2. Estimate of the relation of each variable to a nation's likelihood of BRI participation. Standard deviation is shown below the estimate in parentheses.

<i>Variable</i>	<i>Estimate (Standard Error)</i>	<i>Model 2 Estimate (Standard Error)</i>
(Intercept)	2.354 (5.315)	2.095 (5.320)
U.S. Aid	-0.000 (0.000)	-0.000 (0.000)
Other Aid (Japan + EU + UK)	0.000 (0.000)	0.000 (0.000)
US Affinity	0.297 (6.140)	0.492 (6.124)
China Affinity	-2.879 (5.326)	-2.614 (5.330)
Chinese Projects	0.001 (0.007)	0.001 (0.007)
GDP per capita	-0.052 ** (0.018)	-0.056 ** (0.021)
National GDP	-0.001 * (0.000)	-0.001 * (0.000)
AIIB Signatory	1.973 ** (0.603)	1.953 ** (0.607)
Border China	0.250 (1.007)	0.326 (1.026)
Capital distance (km)	-0.000 (0.000)	-0.000 (0.000)
HIBE	NA	0.415 (0.844)

* significant at $p < 0.05$; ** significant at $p < 0.01$; *** significant at $p < 0.001$

Through this model, I found that the likelihood of a nation joining the BRI was not significantly affected by aid competition. This means a nation obtaining more or less annual aid from the U.S., EU, UK, or Japan has no impact on that nation's likelihood of being a BRI member. This result is an important finding because it goes against my prediction, and that of others, that nations may be turning to China and the BRI in order to increase aid flows to their country, and particularly to fill aid gaps left by the U.S. in the years since 2008. My model shows that this expectation is not supported and that a

nation's aid inflows from other countries likely has little impact on their decision to join the BRI, meaning other factors are more important in that decision.

The model also showed that membership likelihood was not impacted by UN affinity scores with China or the U.S. This means that a nation's decision to join the BRI is not driven by their diplomatic alignment with China. Due to the strong U.S. criticism toward the BRI, it was expected that nations which vote with the U.S. may share these views and be less likely join, and that nations which vote with China more often may be more likely to join. This model shows that this is not the case.

Based on this model, the number of Chinese projects in a nation also does not have a significant correlation with their likelihood to join the BRI. This is an important finding because it indicates that pre-BRI Chinese involvement in the nation does not play a significant role in a nation's likelihood to become a member. It was suspected that nations which already had Chinese projects underway within their borders would be more likely to join. Instead, when controlling for other factors, the model showed is not an important variable.

What the model did show as a statistically significant predictor of BRI membership is national GDP (see Figure 1). GDP per capita was similarly found to be a statistically significant predictor (see Figure 2). These each have a negative correlation with BRI membership likelihood. This means that the lower a nation's GDP or GDP per capita is, the higher the likelihood is of them participating in the BRI. This finding is in line with my predictions and provides an important understanding of why many nations are choosing to participate in the BRI. Based on this finding, it appears many nations join the BRI in an effort to strengthen their economy and increase income through infrastructure

investment and development. As discussed in the predictions section above, infrastructure investment is a proven way for a nation to increase their GDP and GDP per capita, thus this result is consistent with what would be expected for low income nations.

Additionally, the model showed a highly significant relationship between a nation being an AIIB signatory and being a BRI member (see Figures 1 and 2). A nation which is already an AIIB signatory is more likely to join the BRI than a nation which is not part of the AIIB. This indicates that nations which already participate in Chinese organizations have a higher likelihood of joining the initiative. This is in line with my prediction about the relationship of this variable to BRI membership. This result points to the existence of a bloc of nations that would be expected to follow China. Those which cooperate with China in one arena or on one initiative are more likely to cooperate again in the future.

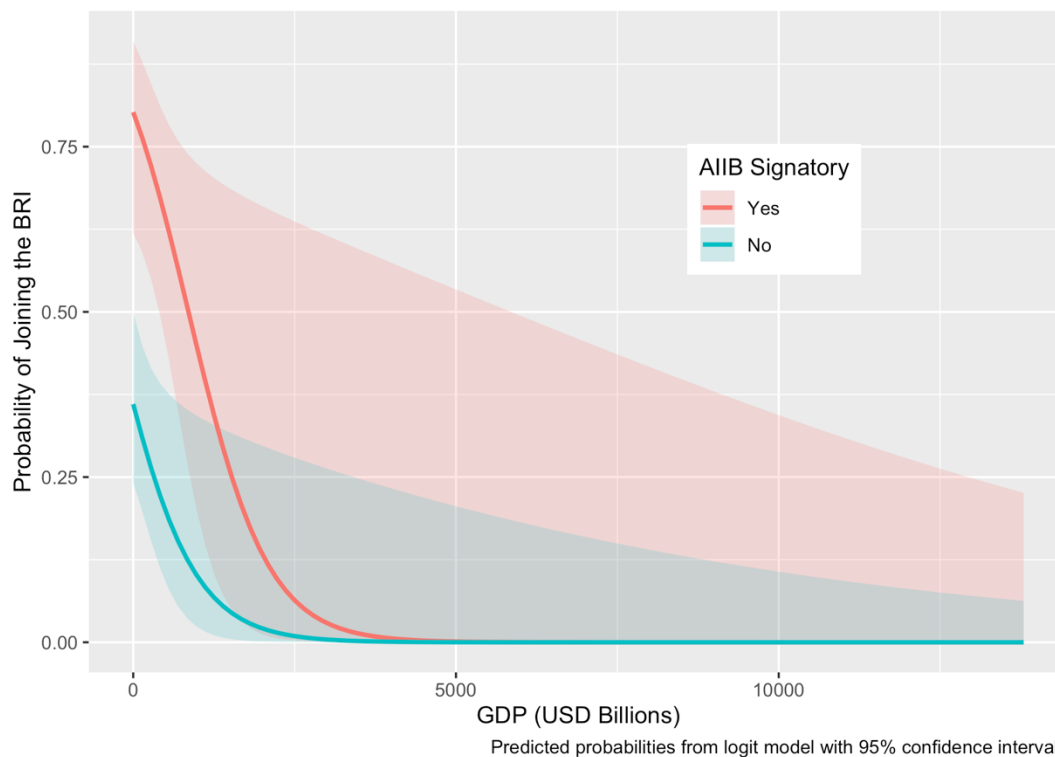


Figure 1. The likelihood of a nation joining the BRI compared to their national GDP. A higher GDP correlates with a lower likelihood of BRI membership.

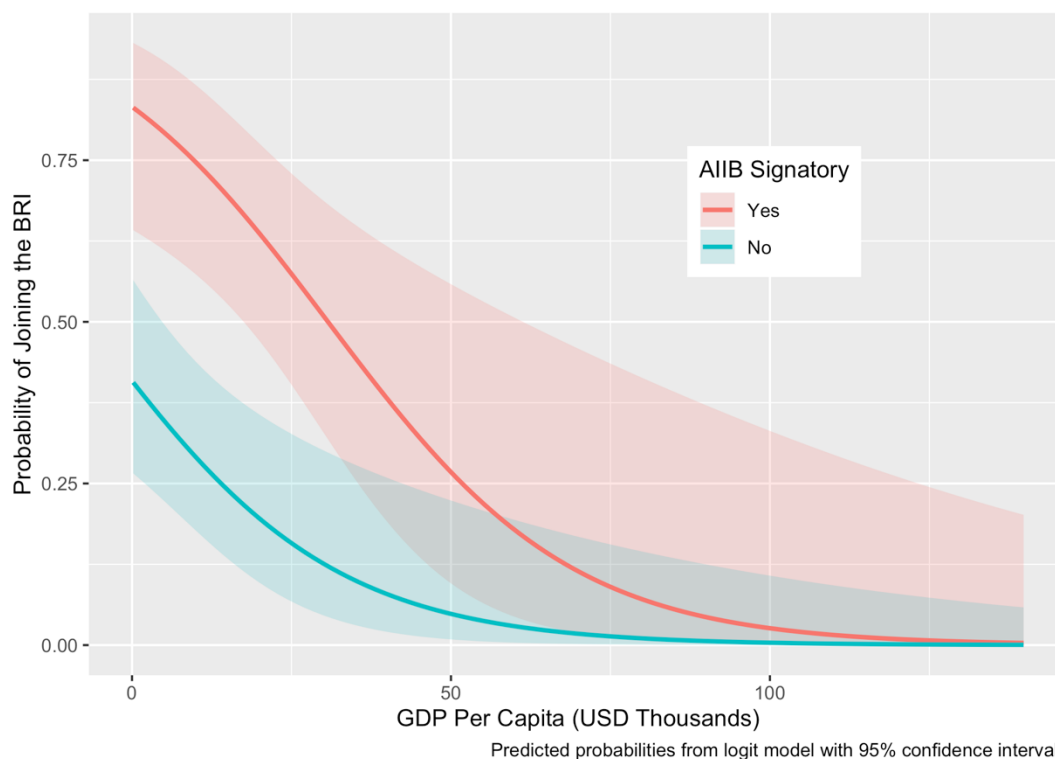


Figure 2. The likelihood of a nation joining the BRI compared to their GDP per capita. A higher GDP per capita correlates with a lower likelihood of BRI membership.

However, my model indicated that this likelihood to participate was not significantly impacted by a nation being geographically close to China or being a bordering nation. This is not in line with my predictions. It was suspected that nations geographically close to China would be more likely to join the BRI because it is easier to do business with and trade with nearby nations. Additionally, they may share similar hopes for increased regional connectivity. Nevertheless, despite many nearby nations being BRI members, my model showed the geographic proximity of these nations was not a significant factor in why they joined.

In conclusion, the primary factors that were found to be significant in affecting a nation's likelihood to be a BRI member were national GDP, GDP per capita, and whether they were already an AIIB signatory. GDP and GDP per capita were found to have a negative relationship with BRI membership: as GDP or GDP per capita goes up, the likelihood of joining goes down. When controlling for everything else, a nation which is an AIIB signatory was more likely to join than a nation which is not. All other variables tested were not found to be statistically significant in determining whether a nation would be a BRI member.

As an additional robustness check, I also created a dummy variable for high income big economies (HIBE), where both GDP per capita and GDP were in the third quartile and controlled for this factor in the second model. This model found that the statistical correlation of BRI participation to GDP, GDP per capita, and AIIB membership was not impacted by the removal of HIBE nations from the analysis.

Kazakhstan Statistical Analysis

Kazakhstan's BRI membership, the first case study of this paper, can also be examined within the context of the statistical analysis. Figure 3 and Figure 4 indicate where Kazakhstan was located in 2013, the year they joined the BRI, along the trend lines of likelihood to join versus national GDP and GDP per capita, respectively. Looking only at national GDP, Kazakhstan would not have a high likelihood of BRI participation as their GDP at the time of joining fell at a very low likelihood mark along the trend line (approximately 0.1 probability). Kazakhstan's 2013 GDP per capita, though, does fall along the trend line at a point of high likelihood of joining (approximately 0.7 probability). Considering only their national GDP, Kazakhstan would not be expected to readily join the initiative as they are a richer nation. However, their GDP per capita tells a different story and highlights a possible reason for Kazakhstan's BRI membership. Additionally, Kazakhstan is an AIIB signatory, increasing their likelihood of participation. Looking at this data, and all three significant factors, Kazakhstan's BRI membership is in line with what would be expected based on the statistical analysis.

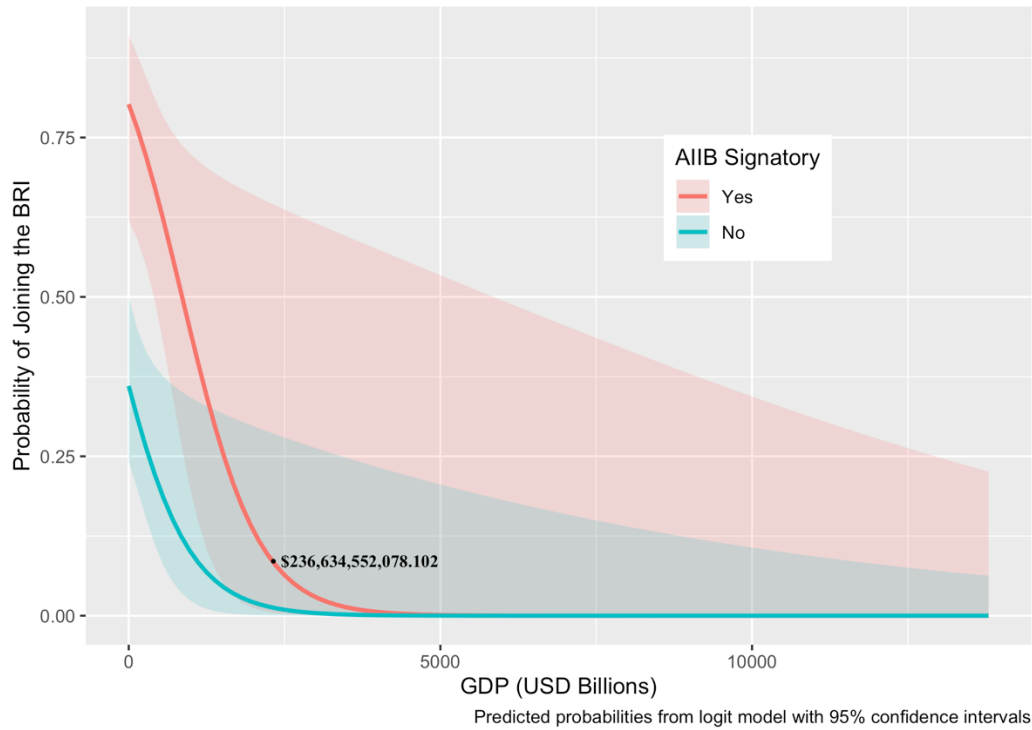


Figure 3. Kazakhstan's national GDP in 2013, the year they joined the BRI, and where that falls along the trend line of GDP correlation to BRI membership likelihood.

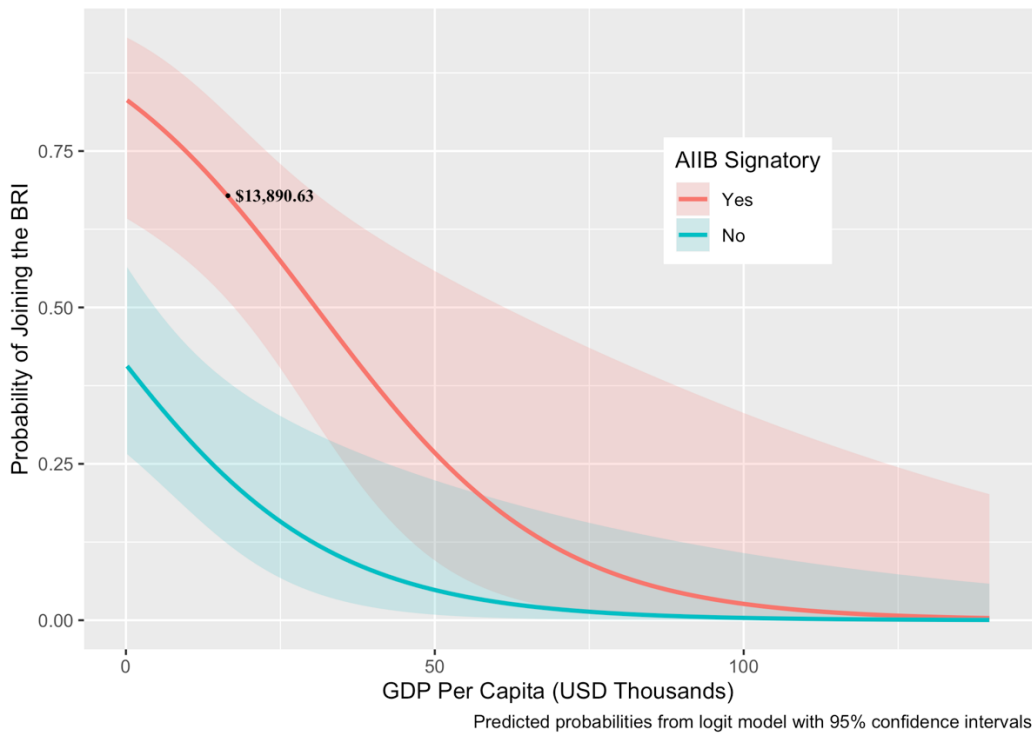
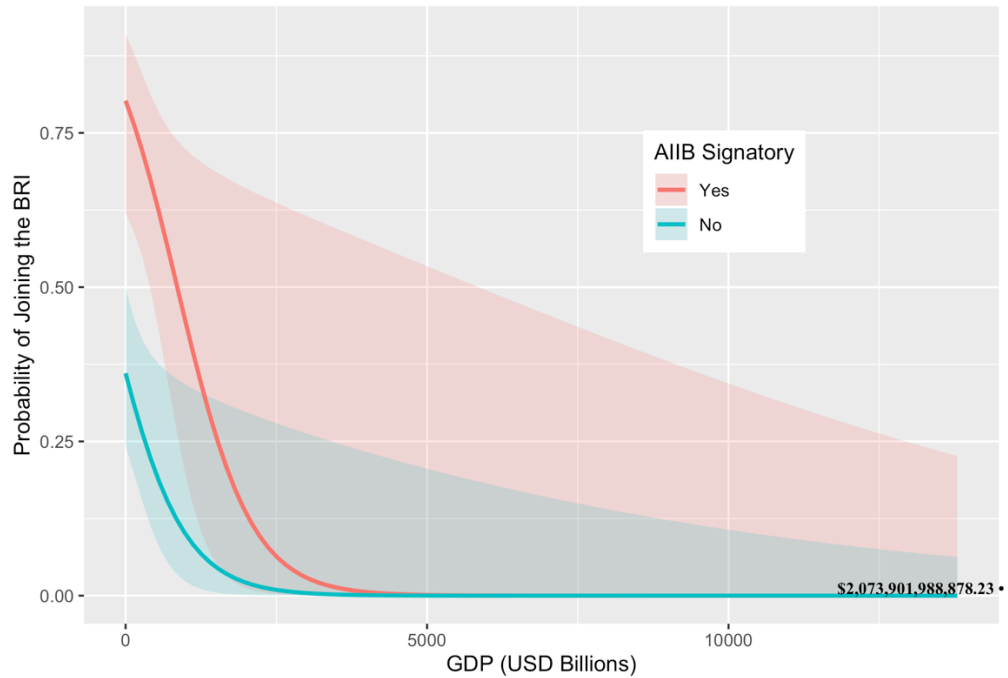


Figure 4. Kazakhstan's GDP per capita in 2013, the year they joined the BRI, and where that falls along the trend line of GDP per capita correlation to BRI membership likelihood.

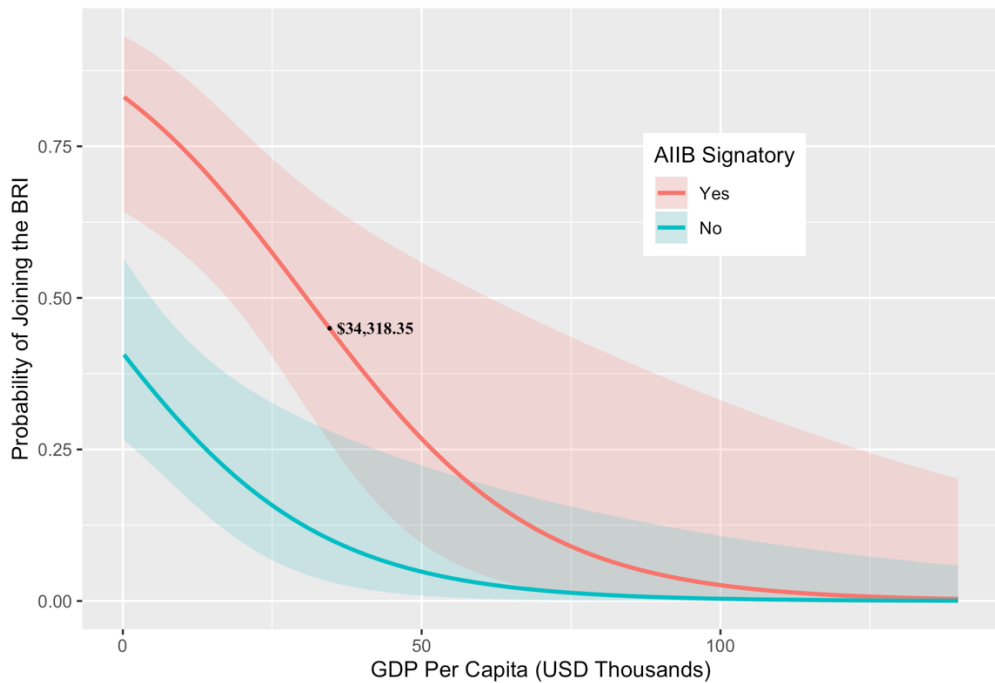
Italy Statistical Analysis

Analyzing Italy's BRI membership in the context of the statistical analysis reveals that Italy does not match the expectations for membership for a country of its wealth. Figure 5 and Figure 6 show where Italy's GDP and GDP per capita, respectively, in 2018 fell along the trend lines that were established by the statistical analysis. Looking at this data, Italy would not have a high likelihood of joining the BRI. They are an AIIB member, which increases likelihood of joining, but their national GDP is very high, making their likelihood to join based on that factor very low (near 0). Italy's GDP per capita in 2018 fell higher up the trend line, but still indicate a below 50% likelihood of participation in the BRI. This makes Italy a particularly interesting case for a BRI membership analysis, because they went against the expectation for their country, and that is also why it is important to understand the Italian government's reasoning behind joining the initiative.



Predicted probabilities from logit model with 95% confidence intervals

Figure 5. Italy's national GDP in 2018 and where it falls along the trend line of national GDP's correlation with likelihood to join the BRI.



Predicted probabilities from logit model with 95% confidence intervals

Figure 6. Italy's GDP per capita in 2018 and where it falls along the trend line of GDP per capita's correlation with likelihood to join the BRI.

CHAPTER III

KAZAKHSTAN CASE STUDY

Case Study Introduction

On September 7, 2013, during a visit to Astana, Kazakhstan, President Xi Jinping announced the launch of the overland segment of the BRI; the Silk Road Economic Belt. This was the first public mention of the BRI and made Kazakhstan the first official member of the project. Since then, Kazakhstan has been a key component of the BRI, fully cooperating with China and acting as a connector between China, Russia, and Europe. This centrality is the reason I have chosen Kazakhstan as the first of my two case studies. This nation stands in stark comparison to my other case study, Italy. Kazakhstan was the first nation to join the BRI, borders China and maintains a long history of cooperation with China before the BRI. There are now over six years of BRI participation to examine. Comparing Kazakhstan's BRI participation to Italy's will give an idea of the role a neighboring nation plays in the BRI, what it means to be an original member, and what the BRI looks like in a nation that has been a member for several years. Additionally, studying Kazakhstan will provide an example for what nearby countries may hope to gain from China's initiative, as well as allows for the opportunity to see if the national BRI participation indicators, identified in the statistical analysis chapter, hold true for a nation that borders China and was an early member.

Before the BRI

In discussing Kazakhstan's BRI relationship with China, it is important to first recognize that Kazakhstan has a long-standing partnership with China that existed long before the initiative. This existing cooperation is likely a key reason that President Xi chose Kazakhstan as the location to make his initial BRI announcement and why Kazakhstan so readily joined the initiative.⁴² President Xi recognized that not only does Kazakhstan play an important role in achieving the connectivity goals of the BRI, but also saw that the Kazakh government was very open to the initiative. Thus, announcing the project in Astana would limit national criticism and provide an example of willing and eager participation. For Kazakhstan, the BRI was intended to strengthen the pre-existing ties between the two nations and provide a framework for future infrastructure projects and cooperation. They hope the context of the BRI will further their goals of becoming a transport hub between Asia and Europe, which will help further develop their own infrastructure and economy, increase their national independence, and improve their global image. Before going further into Kazakhstan's BRI membership, I will first examine some of the ways Kazakhstan already maintained a steady cooperation with China.

Kazakhstan has worked closely with China since the nation gained its independence after the fall of the Soviet Union in 1991. This cooperation is, in large part, due to the proximity of the two nations, but also as a result of Kazakh leaders' desire to become a link between Asia and Europe. When the Soviet Union fell, China quickly began seeking

⁴² Chris Wright, "Kazakhstan Belt and Road Initiative: The Road to Somewhere," *Euromoney*; London, May 9, 2018.

to build relations with the now former-Soviet nations at its borders, including Kazakhstan. Kazakhstan responded rapidly and announced its support of China (rather than Taiwan) and the “One China” principle in January 1992, which prompted China to open official diplomatic relations between the two nations.⁴³

Over the next few years, the two nations worked to establish the bounds of their relationship. They signed treaties to resolve issues such as border disputes, made agreements to work together against threats such as terrorism and separatism, and began pursuing “the benefits of geographical proximity and economic complementarity.”⁴⁴ Kazakhstan is rich in oil and mineral resources of which China needed large amounts to fuel the rapidly industrializing nation. Likewise, Kazakhstan required consumer goods and wished to become more independent from Russia so was eager to establish a trade relationship with China. It was in these early years, in 1994, that the two countries began talks of creating a “New Silk Road” to promote trade between the nations.⁴⁵

Throughout these years, and the years to come, China and Kazakhstan continued to work together to promote friendly relations and economic ties and began undertaking various infrastructure projects to connect the two states. The first railway built between China and Kazakhstan was in 1991 and a second, more complex, link was built in 2012.⁴⁶ The Western Europe-Western China Highway is an infrastructure project that was designed to connect China with St. Petersburg, Russia through Kazakhstan. This project was initiated in 2008 and the Kazakhstan and China portions were completed by 2016.⁴⁷

⁴³ Zhenis Kembayev, “Development of China–Kazakhstan Cooperation,” *Problems of Post-Communism*, December 13, 2018, 1–13.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Nargis Kassenova, “China’s Silk Road and Kazakhstan’s Bright Path: Linking Dreams of Prosperity,” *Asia Policy* 24, no. 1 (2017): 110–16.

⁴⁷ Ibid.

Construction of the Russian section of the highway was slow to start, but in July of 2019 the Russian government approved the development of their section which will complete the connection to St. Petersburg and on into Belarus.⁴⁸ In 1997, the first major oil trade deal was made between the two nations. This deal included the construction of a pipeline between the two nations. Kazakhstan soon became a supplier of crude oil to China, the mutual trade of which reached 1.5 billion USD by 2000.⁴⁹ Another major natural gas pipeline, the Central Asia-China gas pipeline was agreed upon between Kazakhstan and China in 2009 and has been expanding ever since, now including Turkmenistan and Uzbekistan. This pipeline accounts for half of China's natural gas imports.⁵⁰

Throughout the early 2000s, cooperation and trade between China and Kazakhstan continued to grow and develop. This trade included continuing mention of a new Silk Road between the two states; in 1999, Kazakhstan and China released a joint declaration announcing their efforts to increase economic cooperation by developing the New Silk Road.⁵¹ China helped Kazakhstan after the 2008 financial crisis by loaning the nation 10 billion USD to support them when oil prices fell. China gave \$5 billion to the Development Bank of Kazakhstan and another \$5 billion came from a Chinese, state-run oil company, CNPC, and went to their Kazakh partner, KazMunaiGas. A deal was also signed giving CNPC the majority shares in a Kazakh oil producing company, MangistauMunaiGas.⁵² Due to the continued strong relations between these two nations,

⁴⁸ Wade Shepard, "Silk Road Breakthrough: Russia To Begin Construction On The China-Western Europe Transport Corridor," *Forbes*, July 23, 2019, <https://www.forbes.com/sites/wadeshepard/2019/07/23/silk-road-breakthrough-russia-to-begin-construction-on-the-china-western-europe-transport-corridor/>.

⁴⁹ Kembayev

⁵⁰ Kassenova

⁵¹ Kembayev

⁵² "China Lends Crisis-Hit Kazakhstan \$10 Bln," *Reuters*, April 16, 2009, <https://uk.reuters.com/article/china-kazakhstan-loans-idUKLG94896920090416>.

it comes as no surprise that President Xi Jinping decided to announce his plans for the BRI in Astana, Kazakhstan in 2013. President Xi said during the announcement that the relationship between the two nations is “an example of neighborliness and mutually beneficial cooperation.”⁵³ In other words, the Chinese relationship with Kazakhstan is long-standing and represents the increase in cooperation and connectivity President Xi hopes to achieve across Eurasia with the BRI. By announcing the BRI here, President Xi was able to show an example of an important and eager BRI participant, while the long-standing history between the two nations helped ensure that the announcement would be met with limited criticism.

The BRI Era in Kazakhstan

It has now been nearly seven years since President Xi Jinping announced the commencement of the BRI in Astana, Kazakhstan. Over the course of that time, the two nations have seen ever-growing economic cooperation through increased trade and infrastructure projects. While a strong relationship was already developing between the two nations, the BRI has given the context to build a much strong alliance between Kazakhstan and China. Trade between the two nations has steadily increased since 2013. Russia has always been the top source of Kazakhstan’s imports, but over the last two decades China has jumped from Kazakhstan’s eighth largest import amounts to second, accounting for nearly 4.7 million USD in imports in 2017 (Russian imports totaled over 11.4 million USD that year). The largest imports from China to Kazakhstan are iron and steel, telecommunications equipment, and industrial and office machinery. Similarly,

⁵³ Ibid.

exports to China from Kazakhstan jumped over the last two decades from the fifth largest exporter to the second largest position, with over 5.7 million USD in exports to China in 2017 (Italy, at number one, accounted for over 8.6 million USD in exports from Kazakhstan that year). These exports to China have been, largely, crude petroleum oils, with an increase in copper and other mineral exports in recent years.⁵⁴ Additionally, the Chinese embassy in Astana reports that China has provided Kazakhstan with over 50 million USD in loans to date.⁵⁵

Of particular note is Kazakhstan's eagerness to incorporate the BRI into their nation as much as possible, as evidenced by the linking of the BRI with Kazakhstan's *Nurly Zhol*, or the Bright Road, plan. This is a program that was announced by Kazakhstan's president in November 2014 and initiated in April 2015. The plan's goal was to revitalize the nation's economy through the construction of infrastructure between 2015 and 2019. This revitalization was desperately needed in Kazakhstan after oil prices began declining in 2014. In his national address announcing the plan, President Nazarbayev discussed the slow economic growth since the 2008 financial crisis and the International Monetary Fund and World Bank projections of a downturn in the global economy in the years following 2014. Along with this general trend, he said their government was facing issues with a "drop in prices of [their] export raw materials [which had] led to the reduction of the flow of money to [their] income."⁵⁶ Nazarbayev stated that in order "to prevent negative trends" within Kazakhstan, they must change their economic policies, and that

⁵⁴ "UN Comtrade Analytics – Trade Dashboard." United Nations. United Nations, n.d. <https://comtrade.un.org/labs/data-explorer/>.

⁵⁵ "Belt and Road Initiative Brings Vitality to Kazakhstan - People's Daily Online," accessed February 4, 2020, <http://en.people.cn/n3/2018/0913/c90000-9500124.html>.

⁵⁶ "The Address of President of the Republic of Kazakhstan N.Nazarbayev to the People of Kazakhstan. November 11, 2014," November 11, 2014, <http://mfa.gov.kz/en/content-view/poslanie-prezidenta-respubliki-kazahstan-nnazarbaeva-narodu-kazahstana-11-noabra-2014-g>.

was the purpose of the *Nurly Zhol* program.⁵⁷ However, soon after the *Nurly Zhol* program was announced, the Kazakh president met with President Xi and they announced that Kazakhstan's program and the BRI were to be linked into a single, cooperative project to rebuild the nation. Kazakhstan sees the BRI as a method of gaining capital inflows into their country, along with technology and other investments, loans, and aid, to help ensure that *Nurly Zhol* truly gets the country back on its feet. A joint declaration declaring the joining of the two initiatives was signed in August 2015 and a plan was established and signed by September 2016.⁵⁸

Through the now-combined efforts of *Nurly Zhol* and the BRI, multiple infrastructure projects, mainly surrounding transportation, have been undertaken or reinvigorated in Kazakhstan. There are three major, broad projects that are included in the combined initiatives. These are the construction and enhancement of railways, the building of logistic hubs, and continued production of the West Europe-West China highway. There are multiple aspects of these plans that already existed before the BRI and *Nurly Zhol*, but the new initiative allows for continued investment and zeal to be put into these projects.⁵⁹

One particularly important project that is often emphasized in studies of China-Kazakhstan infrastructure cooperation is the special economic zone (SEZ) known as Khorgos-Eastern Gate located in the China-Kazakhstan border city of Khorgos. This project is a large-scale rail port that was built on the Kazakhstan side of the border. This container port is needed at this location because the rail gauge is different in China than

⁵⁷ Ibid.

⁵⁸ Assel G. Bitabarova, "Unpacking Sino-Central Asian Engagement along the New Silk Road: A Case Study of Kazakhstan," *Journal of Contemporary East Asia Studies* 7, no. 2 (July 3, 2018): 149–73.

⁵⁹ Ibid.

in the former Soviet states, so the transition between the two rails happens in Khorgos. Additionally, twin cities of the same name have been built up from nearly nothing on either side of the border.⁶⁰

There are a couple factors that make the port and cities of Khorgos especially important for a study into the BRI relationship between Kazakhstan and China. First, it is an astounding example of the rapid infrastructure construction that has been occurring under the BRI. The port and two cities sprung up from very little in only the last few years, with pictures from as recently as 2014 showing little more than desert in that location. Additionally, Khorgos is approximately 1,500 miles from the sea, very near the Continental Pole of Inaccessibility, the farthest point on the continent from the sea, making it an even more impressive feat. The Khorgos port is also unique because it is considered a part of the BRI, but was funded entirely by Kazakhstan, not by China. This exemplifies the cooperation that is present in the relationship between the two states and how both desire for the BRI's success. However, it is also very different from other nations that are BRI members who require large loans and investment from China to conduct infrastructure projects.⁶¹ Finally, the area of Khorgos is considered by China and Kazakhstan to be an International Centre of Boundary Cooperation. This means that Kazakhs and Chinese can pass over the border within this area without a visa or passport, and foreigners can pass over the border into the neighboring city with only a passport and no visa. This further highlights the cooperation between these two states under the BRI.⁶²

⁶⁰ Wright

⁶¹ Ibid.

⁶² Ibid.

The years since the announcement of the BRI by President Xi have seen increasing cooperation and communication between Kazakhstan and China. Trade between the two nations is continually on the rise. The linking-up of the BRI and *Nurly Zhol* highlights the eagerness of both nations to continue their collaboration under this new, ambitious initiative. The Khorgos-Eastern Gate provides a prime example of some of the large-scale projects that are arising out of this collaboration. The BRI era in Kazakhstan has truly shaped the nation and its relationship with China and will likely continue to do so in the future.

Criticisms within Kazakhstan

Despite the perceived benefits to Kazakhstan, there has been a lot of criticism and concern about the country's relationship with China. Specifically, many citizens and landowners of Kazakhstan worry about Chinese intentions in the region and the lack of transparency coming from the Kazakh government concerning China. Some within Kazakhstan fear that there will be a large-scale migration of Chinese people into the country who will then take their jobs and land. There have been a number of protests surrounding these concerns. A notable case was in April 2016 when many Kazakhs protested against a proposed land reform that would allow foreigners to rent land in Kazakhstan for 25 years. This protest saw 1,000-2,000 people take to the streets in each of the three cities where demonstrations occurred (Atyrau, Aktobe, and Semey). Kazakhs were worried that this reform, if passed, would allow Chinese investors to buy out their land.⁶³

⁶³ Kembayev

Many of the fears about the BRI and China among Kazakhstan's population surround Chinese influx into the nation's agricultural businesses. The Kazakh government has, to an extent, recognized these fears, particularly after the 2016 protests, and made efforts to revise the Chinese agriculture cooperation reforms to assuage Kazakh citizens. First, the government tabled the law that had caused the 2016 protests. Then, in May of 2016, the government announced that Chinese investors and companies would not be allowed to buy Kazakh lands and instead could only jointly invest in Kazakh agricultural goods and companies.⁶⁴ Nevertheless, while this eased some tensions within Kazakhstan, fears still persist. Many still see the government as not properly addressing their concerns, believing that "the high corruption component of Kazakh–Chinese relations cannot be denied," and that Kazakhstan represents "a kind of ultimate China lobby."⁶⁵

Kazakh Motivations/Reasoning for BRI Membership

Even though Kazakhstan's BRI membership is in line with the prediction of the statistical analyses that was discussed above, it is still necessary to further examine their motivations for joining to better understand what they hope to achieve from membership in the initiative. Kazakhstan has long stated that their primary goal for the BRI is to make their nation the link between China and the rest of Eurasia. The Kazakh President, Nursultan Nazarbayev, who served from their independence in 1990 until 2019, discussed reviving the ancient Silk Road even before President Xi came to power in China and announced the BRI. In May 2012, Nazarbayev stated at the end of a meeting with the Kazakhstan Foreign Investors' Council, "Today I want to propose to jointly

⁶⁴ Bitabarova

⁶⁵ Kembayev

launch the large-scale project, the ‘New Silk Road’. Kazakhstan must revive its historic role and become the largest business and transit hub of the Central Asian region as well as a unique bridge between Europe and Asia.”⁶⁶

Kazakhstan’s desire to be a link between Europe and Asia arises from a desire to develop their own nation. The Kazakh government hopes that if they make Kazakhstan a transportation hub connecting Europe and Asia it will, in turn, develop the infrastructure of the entire nation, particularly transportation and communication infrastructure. This is difficult for them to do without Chinese assistance and the boost in capital flow passing through their nation with the help of the BRI.⁶⁷ In 2015, Kazakhstan’s foreign minister wrote an article discussing Kazakhstan’s independent push for development within their nation, saying they are not simply a bystander in the region. In this article, the minister wrote that part of the Kazakh motivation in becoming a link between Asia and Europe was that the roads and railways would “not only serve just as transit ‘conduits’ between east and west, north and south but will come as life-lines for local communities all along the way in terms of creating and boosting local markets, empowering local businesses and private sectors, thus promoting well-being and prosperity, peace and stability in the entire area.”⁶⁸

This Kazakh desire can be seen by looking at the linking-up of the BRI and *Nurly Zhol*, as discussed above. China and Kazakhstan both have the same goal of using Kazakhstan to connect Europe and Asia, and their different reasons behind this goal are

⁶⁶ Bitabarova

⁶⁷ Kassenova

⁶⁸ Indrissov Erlan, “The Great Gain Not the Great Game: How Kazakhstan Is Charting Its Own Course in the World,” November 13, 2015, <http://mfa.gov.kz/en/content-view/the-great-gain-not-the-great-game-how-kazakhstan-is-charting-its-own-course-in-the-world>.

exemplified in this link of *Nurly Zhol* and the BRI. China wishes to use Kazakhstan as a connection with Europe because it allows them easier access to their trading partners in the west and a faster route, particularly with rail transportation, to get their goods to other Eurasian markets. Connecting the BRI with *Nurly Zhol* allows them to further advance Kazakhstan's infrastructure and more quickly and easily connect China with Europe. As for Kazakhstan, connecting their domestic project with the BRI and hastening the creation of their nation as a link between Europe and Asia helps boost their domestic infrastructure and economy. By having China help *Nurly Zhol* succeed, Kazakhstan gets a much-needed boost in their transportation infrastructure which will boost their own economy.⁶⁹

Kazakh officials have repeatedly emphasized this point that the goals of *Nurly Zhol* and the BRI are similar in nature and mutually beneficial. The Deputy Minister of Foreign Affairs of Kazakhstan, Roman Vassilenko, stated in 2017 that “*Nurly Zhol* is designed to turn Kazakhstan into a key Eurasian transport and logistics hub, connecting the North, South, West and East,” and went on to say that this goal is shared by China through the BRI.⁷⁰ Similarly, Kazakhstan's ambassador to Singapore, Usen Suleimen, said in 2018 that President Xi announcing the BRI in Kazakhstan showed from the beginning that “Kazakhstan would play a major role in the implementation of this megaproject. This, in turn, coincides with the strategic objectives of Kazakhstan on great modernisation [sic] and transformation into a regional transport and logistics hub,

⁶⁹ Bitabarova

⁷⁰ Vassilenko Roman, “Remarks by Deputy Minister of Foreign Affairs of Kazakhstan Roman Vassilenko at ‘The EU-Eurasia-China Business Summit’ (Athens, October 9, 2017),” October 9, 2017, <http://mfa.gov.kz/en/content-view/remarks-by-deputy-minister-of-foreign-affairs-of-kazakhstan-roman-vassilenko-at-the-eu-eurasia-china-business-summit-athens-october-9-2017>.

connecting Europe and Asia.”⁷¹ Suleiman went on to discuss *Nurly Zhol*, reiterating that this project shares the goals of the BRI and that is why Kazakh leaders believe that the linking of the two projects would be beneficial.

Nurly Zhol is just one aspect, however, of a much larger plan for revitalizing Kazakhstan, the Kazakhstan-2050 Strategy, which former President Nazarbayev announced in 2012. This is a comprehensive strategy that details plans for the development of the nation over the next few decades. In 2014, Kazakhstan’s Minister of Foreign Affairs discussed this project while speaking in Washington, D.C., saying, “At its heart is the ambition for our nation to become one of the world’s 30 most developed countries by 2050.”⁷² This strategy also includes other aspects beyond infrastructure and economic development. As part of the Third Modernization of Kazakhstan, one part of the strategy which was announced by former President Nazarbayev in 2017, there are plans for initiatives such as continuing the switch of the Kazakh language away from the Kazakh-Cyrillic alphabet to the Latin alphabet, revitalizing national education standards, and increasing protections for national holy sites. In Nazarbayev’s speech announcing the commencement of the Third Modernization, he at one point stated, “For the first time our culture will be known in all continents and in all main languages.”⁷³ Joining the BRI, becoming a major transport hub for Eurasia, can help Kazakhstan achieve these goals. Being a major waypoint along the new Silk Road will not only help promote the

⁷¹ Suleimen Usen, “Usen Suleimen. Central Asia and ASEAN: Convergence through Belt and Road,” June 8, 2018, <http://mfa.gov.kz/en/content-view/usen-suleimen-central-asia-and-asean-convergence-through-belt-and-road>.

⁷² Indrissov Erlan, “Remarks by H.E.Erlan Idrissov, Minister of Foreign Affairs of Kazakhstan, at the 2nd Kazakhstan - U.S. Convention Political Session ‘Turning Great Games into Great Gains,’” December 10, 2014, <http://mfa.gov.kz/en/content-view/remarks-by-h-e-erlan-idrissov-minister-of-foreign-affairs-of-kazakhstan-at-the-2nd-kazakhstan-u-s-convention-political-session-turning-great-games-into-great-gains>.

⁷³ Nazarbayev Nursultan, “Modernisation of Kazakhstan’s National Identity,” October 9, 2015, <http://mfa.gov.kz/en/content-view/astana-calling-471-14>.

development of their economy and infrastructure but will also contribute to the spreading of Kazakh culture and their increased presence on the world stage.

The best physical example highlighting this Kazakh motivation for participating in the BRI can be seen by once again looking at the Khorgos-Eastern Gate. This port is located five days by train from Eastern China and approximately nine to ten days from Europe. This means the port is perfect for shipping goods between China and Europe, as well as anywhere else on the Eurasian continent. A chief operating officer of the gate, Hicham Belmaachi, told a Euromoney reporter, “When you clear goods here in Khorgos they can go anywhere: to Russia, Belarus, Kyrgyzstan, Armenia,” and this is without having to go through customs again.⁷⁴ This port is the epitome of what Kazakhstan wanted to gain from the BRI. They want to be a connection point between China and the rest of Eurasia. With this port, they are getting to be just that and, in turn, improving their own infrastructure and economy.

Another major motivation for Kazakhstan to work with China, both during and before the BRI era, is to further their independence from Russia, which has been a goal of Kazakhstan since the fall of the Soviet Union in 1991. As Kazakhstan is a former Soviet state, Russia has remained one of their primary trading partners for the last couple of decades. Before forming the new relationships with China, there already existed a number of railways connecting Kazakhstan and China. By participating in the BRI, connecting it with *Nurly Zhol*, and making themselves a regional transportation hub, Kazakhstan hopes to develop its connections with the rest of the world and open up trade

⁷⁴ Wright

with more international markets.⁷⁵ The infrastructure built for the BRI will benefit them in this way and will further improve their economy and independence.

By looking at Kazakhstan's trade statistics, it can be seen that this goal of lessening Kazakhstan's economic dependence on Russia has been working, both before the official BRI announcement and increasingly so since 2013. Examining both imports and exports, a general trend away from dependence on Russia can be seen. For exports from Kazakhstan, Russia was the leading country of origin from Kazakhstan until 2002 (when Bermuda took the number one export spot), but even after that remained on the top of the list. By 2010, Russia had dropped to fifth on the export list, with China and Italy as the top two. Since 2013 and the commencement of the BRI, Russia has remained in the fourth or fifth spot, but with a trend of a lower percentage of total exports each year, with China and Italy remaining at the top. For imports, Russia has continually remained the primary source of goods for Kazakhstan, but with an increasing role of China and other nations. For Kazakhstan's first couple decades as an independent nation, Russian imports accounting for a vast percentage of their total imports. However, by 2010, China had quickly slid up to the second position and was lessening Kazakhstan's near total reliance on Russia. While the amounts vary each year, since the BRI announcement, China continued to stay in the second position, accounting for an increased percentage of imports to Kazakhstan.⁷⁶

Overall, Kazakhstan's major goal for participating in the BRI is to become a trade and transportation connection between China/Asia and Europe. By becoming this link,

⁷⁵ Bitabarova

⁷⁶ "UN Comtrade Analytics – Trade Dashboard." United Nations. United Nations, n.d. <https://comtrade.un.org/labs/data-explorer/>.

Kazakhstan can advance their domestic infrastructure, build up their economy, and work toward their goals of the Kazakhstan-2050 Strategy. They can become a hub of trade in the region, promoting their economy and regional and global status. This also allows them to further their independence from Russia and further open up their economy to other international markets, as well as promote their independent culture and language worldwide. Altogether, Kazakhstan hopes the BRI will help their nation become stronger through increased infrastructure, trade, and regional and global recognition.

Kazakhstan Conclusions

This analysis of Kazakhstan's BRI relationship with China has shown that Kazakhstan's primary goal is to improve their economy, infrastructure, and regional and global standing. They wish to improve their trade with China and the rest of Eurasia and the world, as well as further develop their nation through the benefits that will be gained from being a major international transport hub. The BRI can help Kazakhstan meet those goals, particularly after linking the BRI with their own domestic project, *Nurly Zhol*. Standing between China and Russia and Europe, making them an important aspect of improving connectivity in the region, China had strong interests in improving the relationship between the two nations so Kazakhstan can be used to more quickly transport Chinese goods to European markets. Kazakhstan saw this Chinese benefit and utilized it by pushing for the revitalization of the ancient Silk Road and eagerly participating once President Xi announced the BRI.

Over six years later, the results can already be seen. Kazakhstan and Chinese trade have improved. Kazakhstan's infrastructure has seen massive development, as evidenced

by the Khorgos-Eastern Gate and the growth of the city around it (with plans for another nearby city to be built soon).⁷⁷ New pipelines have been built connecting China with Kazakhstan, which has both benefited China's ever-growing energy needs and helped Kazakhstan improve their energy infrastructure to more easily transport gas and oil from the western parts of the country to population centers elsewhere in Kazakhstan.⁷⁸

Kazakhstan is well on its way to meeting its goal of using the BRI to become a link between Europe and Asia and, in so doing, improve their domestic infrastructure, their economy, and global image by standing as a major waypoint between China and the rest of Eurasia.

⁷⁷ Wright

⁷⁸ Kassenova

CHAPTER IV

ITALY CASE STUDY

Case Study Introduction

China and Italy signed an MoU on March 23, 2019 during President Xi Jinping's official state visit to Rome. In signing this MoU, the Italian Prime Minister, Giuseppe Conte, officially announced that Italy would become an official member of the BRI. This was a landmark announcement as Italy had become the first of the G7, and largest European economy, to join the BRI. They are also the first founding member of the European Union to form this relationship with China. In signing, Italy went against the views held by the rest of the G7 and their western European allies, and the United States. These other nations all still maintain a high level of skepticism surrounding the BRI, particularly the US. Italy, however, was optimistic for the benefits they may gain to their economy.⁷⁹ The goal of this case study is to examine why Italy may have joined the BRI, despite not being a historical Chinese partner and the reluctance of the rest of western Europe and the G7. I will also examine what this relationship looks like so far in the year following the announcement. Particularly, what does a BRI membership mean for a nation such as Italy, which does not border China or have a long-standing relationship, as opposed to a nation such as Kazakhstan?

⁷⁹ Chico Harlan, "A Defiant Italy Becomes the First G-7 Country to Sign on to China's Belt and Road Initiative," The Washington Post (Online); Washington, D.C., March 22, 2019.

Before the BRI

Unlike Kazakhstan, Italy was not a major trading partner with China in the years leading up to the BRI and their participation in the initiative. Italy's economic relationship with China pales to that of other EU and G7 states. In recent years, China has invested approximately eight times the amount into Germany that was invested in Italy. They are not, historically, close trading partners. In 2018, Italian trade with China was valued at around 13 billion euros (a little over 14.1 billion USD). In Germany, Chinese trade was valued at 94 billion euros (over 102.5 billion USD). Even shipping routes between China and Europe are more easily connected to Spain and Belgium than to Italy.⁸⁰

What China and Italy do share as an important historical relationship is the ancient Silk Road. During the era of antiquity when the ancient Silk Road flourished (c. 130 BCE until 1453 CE), this famous trade route connected China with Venice and the Roman Empire. The Silk Road allowed for the transfer of goods, people, ideas, and culture from Rome and Italy across the Middle East and Asia into China, and vice versa. In the 13th century, Venetian explorer Marco Polo traveled from Italy across Asia and into China, writing an account of his travels that inspired explorers for centuries. President Xi even told students at an Italian school on March 18, 2019 to “become modern-day Marco Polos, as cultural ambassadors between Italy and China in this new era.”⁸¹

⁸⁰ Valentina Romei, “Charts That Show Why Italy Wants China’s Belt and Road Initiative,” *FT.Com*; *London*, March 22, 2019.

⁸¹ Kyle Anderson and Logan Pauley, “The Old Silk Road to Rome Gets New Life,” March 22, 2019, <https://thediplomat.com/2019/03/the-old-silk-road-to-rome-gets-new-life/>.

BRI Era in Italy

When Italy officially joined the BRI on March 23, 2019, two sets of agreements were made between the two nations. The first was the official agreement for Italy to join the BRI which made blanket statements about the nature of the new relationship between China and Italy. The “areas of cooperation” which were identified within the MoU that was signed by the leaders of the two nations are: policy dialogue, transport, logistics, and infrastructure, unimpeded trade and investment, financial cooperation, people-to-people connectivity, and green development cooperation.⁸² These agreements stated that China and Italy agreed to improve connectivity and communication between their two nations under the framework of the BRI and the AIIB. Under the category of infrastructure development, the MoU states, “The Parties will cooperate in the development of infrastructure connectivity, including financing, interoperability and logistics, in areas of mutual interest (such as roads, railways, bridges, civil aviation, ports, energy – including renewables and natural gas - and telecommunications).”⁸³

Beyond the umbrella agreement, Chinese investors also signed a number of deals of more specific projects. These twenty-nine agreements came to a total of 2.8 billion USD. These projects included investment into the further development of ports in Trieste, Genoa, and Palermo.⁸⁴ Ministers also signed agreements concerning energy, finance, and

⁸² “Memorandum of Understanding between the Government of the Italian Republic and the Government of the People’s Republic of China on Cooperation within the Framework of the Silk Road Economic Belt and the 21st Century Maritime Silk Road Initiative,” March 23, 2019, 7, http://www.governo.it/sites/governo.it/files/documenti/documenti/Notizie-allegati/Italia-Cina_20190323/Memorandum_Italia-Cina_EN.pdf

⁸³ Ibid.

⁸⁴ Chatzky, “China’s Belt and Road Gets a Win in Italy”

agriculture. Italian gas and energy and engineering firms signed further deals, with China offering the Italian companies access into Chinese markets.⁸⁵

With only a year passing since these agreements were formed, there is little information on the progress that has resulted from these agreements. This is likely due to rising conflicts of interest between Italy and China since the deals were signed. The conflict seems to be arising due to two factors: Italy's membership in the EU and G7 and disagreements on importance of various infrastructure development locations within Italy. In July of 2019, Prime Minister Conte said in a statement, "The Chinese initiative must...develop in an open and inclusive way, respecting the standards and principles enshrined in the EU strategy."⁸⁶ To many onlookers, it appeared the Italian government's enthusiasm about participation in the BRI had reduced drastically since March. The Prime Minister also said in his statement that regional projects within the EU were "equally valid," further hinting that Conte may have growing concerns about Italy's participation in the BRI.⁸⁷

This growing concern about the BRI relating to Italy's EU membership can also be seen by looking at the Port of Trieste in northeastern Italy. At the beginning of 2020, it was announced that Trieste's port would be receiving 45.5 million euros in development funds from the EU, despite deals with China to develop this port. A large part of this funding, 39 million euros, is coming from a loan from the European Investment Bank,

⁸⁵ "Italy Joins China's New Silk Road Project," *BBC News*, March 23, 2019, sec. Europe, <https://www.bbc.com/news/world-europe-47679760>.

⁸⁶ Stuart Lau, "Is Italy Experiencing Buyer's Remorse over Belt and Road Scheme?," *South China Morning Post*, July 30, 2019, <https://www.scmp.com/news/china/diplomacy/article/3020668/italy-experiencing-buyers-remorse-after-signing-chinas-belt>.

⁸⁷ *Ibid.*

and the rest is coming from the EU by means of the Connecting Europe Facility (CEF).⁸⁸ The CEF is “a key EU funding instrument to promote growth, jobs and competitiveness through targeted infrastructure investment at European level. It supports the development of high performing, sustainable and efficiently interconnected trans-European networks in the fields of transport, energy and digital services.”⁸⁹ The EU, and CEF, supporting development in the Port of Trieste in this manner highlights Italy’s division between their EU membership and their BRI deals with China.

The other factor stalling BRI investment in Italy seems to be some disagreement on where the investment should be directed. One example of this is a disagreement that has sprung up over port investment in Genoa versus Trieste. China wants to invest in Trieste and develop the port further themselves. Investing in Trieste would give China access to rail systems that reach across Europe, which is particularly important for China’s ability to reach landlocked countries. On the other hand, Italy, thinking of their own national infrastructure needs, wants China to develop Genoa’s port which they see as a bigger priority for Italian interests.⁹⁰ Disagreements such as these have slowed much of the BRI progress in the region.

However, there is ultimately not much information or data surrounding Italy’s current level of cooperation with China under the BRI. More time needs to pass to determine whether Italy and China’s agreements will come to fruition. For now, it seems Italy and China are still working to coordinate their investment agreements. The outcry of

⁸⁸ Monika Dimitrova, “Port of Trieste to Be Developed Thanks to 45.5 Million EU Support,” January 4, 2020, <http://www.themayor.eu/en/port-of-trieste-to-be-developed-thanks-to-455-million-eu-support>.

⁸⁹ “Connecting Europe Facility,” Text, Innovation and Networks Executive Agency - European Commission, March 26, 2015, <https://ec.europa.eu/inea/en/connecting-europe-facility>.

⁹⁰ Andre Wheeler, “Italy’s Maritime Silk Road Dreams Headed for the Rocks?,” *Silk Road Briefing* (blog), November 12, 2019, <https://www.silkroadbriefing.com/news/2019/11/12/italys-maritime-silk-road-dreams-headed-rocks/>.

nations such as France, Germany, and the United States concerning Italy's participation in the BRI has temporarily stalled Italy's BRI progress while they work to find a balance between their EU membership and their BRI commitment.

Italian Motivations/Reasoning for BRI Membership

The U.S., Germany, France, and others have continually held their position of being cautious about China's ambitions surrounding the BRI. These nations were critical of Italy's decision to break ranks from their western counterparts and form this new relationship with China. Despite this, Italy went ahead and signed the MoU anyway. Furthermore, the statistical analysis above revealed that Italy's membership goes against the expectations for a nation of its wealth. The question then arose: What does Italy hope to gain from being a member of the BRI, and what is their response to the criticism coming from their western allies?

Italy had been discussing its ambitions for the BRI for a couple years leading up to their official membership agreement. The nation's officials have repeatedly claimed they have high hopes for the BRI to improve Italian infrastructure, particularly their ports, promote made-in-Italy products, and improve connectivity across Europe and the Mediterranean. In May of 2017, the Italian Prime Minister, then Paolo Gentiloni, traveled to Beijing to attend the first Belt and Road Forum for International Cooperation (Italy attended again at the second forum in 2019). Fifty-seven heads of state were present at this forum. Participation in this event indicates high levels of interest in the BRI. A few days prior to the event, Gentiloni made a statement saying that Italy was interested in joining the BRI. Specifically, he stated that, "Bringing the Chinese economy closer

through this gigantic infrastructural operation is enormously interesting to Italy, not only for our government but also for our universities and public and private businesses.”⁹¹

The Italian government has, specifically, continually emphasized their hopes for port development through BRI participation. In July 2017, former Italian Minister for Foreign Affairs Angelino Alfano was asked about the port of Trieste in respect to BRI prospects. In response, he said that Italy and China share many common goals to work to develop transportation infrastructure as well as digital infrastructure in the region.⁹² This ambition for port infrastructure development was reiterated again twice in October of 2017. The Italian Foreign Minister stated at a meeting of the Italian-Arab Business Forum that: “Italy’s aim is to relaunch the Mediterranean as a global economic hub, grasping new development opportunities such as: doubling the Suez canal, discovering new energy sources, and the ambitious ‘new Silk Road’ project, in which Italian ports are the gateway to the European market.”⁹³ A few days later, the Italian Prime Minister stated in a meeting: “In China we are looking with great interest at the development of the ‘new silk road’ and at the potential rebound this will have on Italian ports in terms of expansion.”⁹⁴ Clearly, port development is a primary objective for Italy, and indeed was included in the agreements signed when Italy officially joined the BRI.

⁹¹ “Italy Expresses Enormous Interest in Belt & Road Initiative - Xinhua | English.News.Cn,” XinhuaNet, May 11, 2017, http://www.xinhuanet.com/english/2017-05/11/c_136274756.htm.

⁹² Mauro Manzin, “Alfano: We Are Working to Get the Balkan Countries into the EU,” July 7, 2017, https://www.esteri.it/mae/en/sala_stampa/interviste/2017/07/alfano-lavoriamo-per-i-balceni.html.

⁹³ “Speech by the Honourable Foreign Minister at the First Italian-Arab Business Forum,” October 12, 2017, https://www.esteri.it/mae/en/sala_stampa/interventi/2017/10/discorso-dell-on-ministro-al-primo_0.html.

⁹⁴ “Speech of the Hon. Minister at the 6th Meeting of the Control Room for an International Italy,” October 17, 2017, https://www.esteri.it/mae/en/sala_stampa/interventi/2017/10/discorso-dell-on-ministro-alla_12.html.

Italy has other ambitions as well for their participation in the BRI. As part of the agreements made between Italy and China under the BRI, China agreed to open up Chinese markets for more Italian businesses and products. This is clearly important to Italy. In November 2019, at the second China International Import Expo, Italian Foreign Minister Luigi Di Maio highlighted Italy's desire to promote 'Made in Italy' products and increase Italian products' visibility and reputation in China as well as along the rest of the Silk Road.⁹⁵ The day before the expo, Di Maio met with Chinese State Councillor and Foreign Minister Wang Yi and the two discussed increasing the ease of access for Italian products entering the Chinese market through the removal of barriers such as tariffs.⁹⁶

It appears that exports of Italian products to the Chinese market have become a primary goal of Italy within the BRI. Even the infrastructure projects, that were discussed in the early stages of their BRI membership, Italy now sees as largely an opportunity to export Italian goods. In November of 2019, the Italian Ministry of Foreign Affairs announced that an agreement over development of the port of Trieste had been signed. In an interview, the head of cabinet at the Ministry said, "The agreement with Trieste serves to open the way for Italian products to China".⁹⁷ It seems that one of the biggest motivations for Italy joining the BRI and signing agreements with China is to increase Italian exports and open their products up to a wider global market. Since China is such a

⁹⁵ "Foreign Minister Luigi Di Maio Attended the Opening of the 2nd Edition of the China International Import Expo (CIIE) in Shanghai," November 5, 2019, https://www.esteri.it/mae/en/sala_stampa/archivionotizie/comunicati/2019/11/il-ministro-degli-affari-esteri-luigi-di-maio-partecipa-alla-2-edizione-della-china-international-import-expo-ciie-di-shanghai.html.

⁹⁶ "Mission to China by Foreign Minister Luigi Di Maio," November 4, 2019, https://www.esteri.it/mae/en/sala_stampa/archivionotizie/comunicati/2019/11/missione-del-ministro-degli-esteri-luigi-di-maio-in-cina.html.

⁹⁷ Guido Santevecchi, "Di Maio and the Silk Road We Will Evaluate the Situation in 2020 . The Agreement on Trieste Has Been Signed (Corriere Della Sera)," November 6, 2019, https://www.esteri.it/mae/en/sala_stampa/interviste/2019/11/di-maio-e-la-via-della-seta-faremo-i-conti-nel-2020-siglato-l-accordo-su-trieste-corriere-della-sera.html.

large economy, being a member of the BRI and gaining access to that market can help Italian businesses and improve the Italian economy.

Despite continually clarifying their motivations behind joining the BRI, Italy has gained a lot of criticism for their decision from their allies such as Germany and the United States. Soon after Italy's decision to join, German Foreign Minister Heiko Maas criticized Italy in an interview, saying that, "Countries that believe they can do clever business with the Chinese will wonder when they suddenly wake up in dependency," and that the EU needs to be united in order to survive and compete against global powers such as China.⁹⁸ The United States, under the Trump administration, has also been highly critical of the BRI. The administration lobbied against the decision of Italy to join the initiative and have pressured European nations to not sign 5G agreements with China's tech corporation Huawei, a deal which Italy did end up signing with China.⁹⁹ These allies, as well as some Italian citizens and officials, have also criticized the Italian government for their decision saying it puts Italian sovereignty at risk.

The Italian government has repeatedly responded to these objections saying that it will be beneficial for Italy and that they are always careful to ensure agreements made do not threaten the nation's sovereignty. In response to criticism from the U.S. and President Trump, the Italian Ambassador to Washington, Armando Varricchio, said in an interview that Italy's reasoning had always been clear and that, "For Italy it is a question of

⁹⁸ Ivan Dikov, "Countries 'Wake Up in Dependency', Germany Warns after Italy's BRI Deal with China," *European Views* (blog), March 24, 2019, <https://www.european-views.com/2019/03/counties-wake-up-in-dependency-germany-warns-after-italys-bri-deal-with-china/>.

⁹⁹ Chatzky, "China's Belt and Road Gets a Win in Italy"

capturing an interesting economic perspective.”¹⁰⁰ Italian government officials have repeatedly responded to criticisms in this way, stating that they are trying to increase their economy and infrastructure. They have also responded to criticism from the EU saying that France and Germany, though not BRI members, have much larger economic ties with China,¹⁰¹ and that, in looking at large European economies, “Italy is the one that suffers most from a negative gap in the trade with China.”¹⁰²

Italy has also faced a lot of criticism saying that they are risking Italian sovereignty and that of their allies. In particular, these other nations, especially the U.S., are worried about deals surrounding Huawei’s 5G infrastructure, claiming it opens up the possibility for Chinese companies to spy and garner intelligence on Italy and other nations. When asked about the BRI deal at a press conference with U.S. Secretary of State Mike Pompeo, Minister Di Maio stated that they are careful when signing deals to ensure that they do not risk Italian sovereignty. In response to the U.S. push against 5G infrastructure, he said the Italian government has initiated a decree, the ‘golden power’ rules, which lets them “define the cybersecurity framework as far as [their] country is concerned.”¹⁰³ The Italian government is saying they can get the benefits of 5G, and other Chinese business deals, without the risk because they are able to control the construction of this infrastructure in their nation. Additionally, Italian officials associated with the

¹⁰⁰ Umberto De Giovannangeli, “‘Con Gli Usa Rapporti Strettissimi, Parlano 75 Anni Di Storia’ Ambasciatore Armando Varricchio (Huffingtonpost.It),” July 23, 2019, https://www.esteri.it/mae/en/sala_stampa/interviste/20j19/07/con-gli-usa-rapporti-strettissimi-parlano-75-anni-di-storia-ambasciatore-armando-varricchio-huffpost.html.

¹⁰¹ Chatzky, “China’s Belt and Road Gets a Win in Italy”

¹⁰² Claudio Cerasa, “No, There Is No Fleeing from Europe,” March 28, 2019, https://www.esteri.it/mae/en/sala_stampa/interviste/2019/03/no-non-si-scappa-dall-europa-il-foglio.html.

¹⁰³ “Secretary Michael R. Pompeo and Italian Foreign Minister Luigi Di Maio at a Press Availability,” *United States Department of State* (blog), October 2, 2019, <https://www.state.gov/secretary-michael-r-pompeo-and-italian-foreign-minister-luigi-di-maio-at-a-press-availability/>.

signing of the MoU have said on multiple occasions, in response to U.S. and European objections, that the MoU is not a legally binding contract and thus does not represent a threat to Italy, its citizens, or their allies.¹⁰⁴

In response to questions about going against the position of the EU and G7, Italian officials have said they will always ensure their EU priorities come first and that the BRI will never hinder their other alliances. At the press conference with U.S. Secretary Pompeo, Minister Di Maio said that when signing agreements they “make sure that [they] include any possible guarantee so that European legislation is complied with, and so that the European principles are complied with, the principles with which [they] regulate [their] trade relations with other non-EU countries.”¹⁰⁵ Again and again, Italian officials state that their other trade alliances are always important, that they share the concerns of the U.S. and other European countries, and that they will continue to work with the EU and G7 nations to find the best solutions to the issues arising from cooperation with China. Their alliances and friendships with the U.S., EU, and NATO countries will always be “essential cornerstones” for the Italian government.¹⁰⁶

In summary, Italy’s primary objectives for joining the BRI seem to be hopes for port development and increase the presence of Italian goods in the Chinese and global markets. In this way, the Italian government hopes to boost their economy and promote Italian businesses. They have faced a lot of criticism for their decision, from European allies and the U.S., but have continually responded that the BRI is not a threat to Italy or its allies. They

¹⁰⁴ Cerasa

¹⁰⁵ “Secretary Michael R. Pompeo...”

¹⁰⁶ Gerardo Pelosi, “Moavero Milanesi: «EU and NATO: The Agreement with China Does Not Undermine Our Cornerstones» «China, No Tension with USA and EU»,” March 16, 2019, https://www.esteri.it/mae/en/sala_stamp/interviste/2019/03/ue-e-alleanza-atlantica-l-intesa-con-la-cina-non-mina-i-nostri-pilastri-cina-nessuno-strappo-con-usa-e-ue.html.

have stated that the hopes surrounding the BRI are to exploit a new economic opportunity to promote Italian goods and their economy.

Italy Conclusions

The case study into Italy's membership in the BRI has shown that Italy's primary goal in signing the MoU with China is to increase Italian exports and improve visibility of Italian products in foreign markets, particularly in China, through port development. Italy wants to improve their port infrastructure so they can increase exports. The development of stronger digital communications infrastructure, through Huawei's 5G, will help Italy with this goal. They have faced much criticism from their allies for signing this deal. However, they have responded that many of these nations, like Germany, have stronger economic ties with China than Italy currently does, just not through the BRI. Additionally, they have said that their European friendships, and the U.S., will always be primary alliances and their partnership with China is intended to help continue to boost the Italian economy. Finally, they ensure their allies that the BRI deal is of no threat to Italy or their allies as the MoU is not legally binding and they always make sure there is no threat to Italian sovereignty in the BRI agreements by enacting decrees such as the 'Golden Power' in relation to 5G infrastructure.

A year later, there is not much evidence of action being taken on the agreements that were signed in March 2019. Progress has been stalled due to conflicts about Italy's commitments to the EU and G7, as well as conflicts with China about infrastructure priorities within Italy. However, Italian officials remain hopeful about the benefits of participating in the BRI. Many still argue that it will be beneficial to the Italian economy by boosting Italian businesses and increasing exports.

CHAPTER V

CONCLUSION

Participation in China's Belt and Road Initiative can be generally seen as arising from national desires to increase GDP and GDP per capita. Additionally, nations which already work with China on other international projects, such as the AIIB, are more likely to cooperate with China again as members of the BRI. At its core, the BRI is an infrastructure investment initiative designed to increase regional connectivity and bolster the economies of participating nations through growth in transportation infrastructure, communications infrastructure, and more. Previous studies have shown that an increase in investments toward infrastructure production, particularly transportation infrastructure, can be a key element in improving a nation's GDP and GDP per capita. Thus, it comes as no surprise that my statistical analysis identified GDP and GDP per capita as having statistically significant negative correlations with likelihood of joining the BRI.

It was also not surprising that my analysis found nations which were AIIB signatories had a higher likelihood of BRI participation. The AIIB is an international investment bank created by China to, primarily, fund the BRI. That means many nations that join the AIIB are, in many ways, already supporting the BRI. Furthermore, nations which already belong to international Chinese initiatives will likely more readily join another, and this is seen with the AIIB signatory significant correlation with likelihood to join the BRI.

My statistical analysis did not find any significant correlation with BRI membership in any of the other factors tested, including foreign aid amounts, FDI inflows, capital distance, and affinity scores. These all went against the predictions which I had made for these data

sets. This leaves us with the conclusion that, based on my analysis, the primary motivator for nations joining the BRI is the promotion of their economy, and that a small and poor economy that is an AIIB signatory is more likely to join than a nation which is not a signatory.

There are a few limitations to my chosen method of analyzing participation that need to be addressed. Focusing solely on BRI participation only provides a snapshot view of China's global outreach and ambitions. There are many aspects of China's worldwide initiatives, projects, and investments that are not encompassed by this study. As discussed in the statistical analysis chapter, my study found less nations to be BRI participants than previous studies identified. This is because many reports include all recent Chinese investments and infrastructure projects as part of the BRI. My study, instead, sought to address international cooperation that has been clearly identified as BRI participation and has been mutually agreed upon by both China and the participator. This then presents the limitation that there are many nations which have taken Chinese investments or are sites of Chinese projects which are not included in my study because they are not clearly part of the BRI. However, my study provides a look at exactly what BRI participation means, and what it does not, and what motivates nations to make this mutual agreement to be participants in the initiative.

Beyond the general trend of membership motivation based on GDP, GDP per capita, and AIIB membership, there are other factors which arise on a case-by-case basis that cause nations to join the BRI. In Kazakhstan, the government had been pushing for this initiative for years prior to President Xi's commencement of the BRI. They believe that a revitalization of the ancient Silk Road will help Kazakhstan become a transportation hub between China and the rest of Eurasia. Through the Chinese investment, the Kazakh government hopes to

revitalize their own economy by boosting their transportation and communications infrastructure. Furthermore, they hope that the initiative will help spread Kazakh goods and culture across the world and rise the nation up to the level of a top global economic power. This Kazakh desire is reflected in the context of the statistical analysis findings, which puts Kazakhstan at a high likelihood of joining the BRI when considering their GDP and GDP per capita at the time of joining.

Italy's membership, on the other hand, does not correspond with the statistical analysis results. Their national GDP in 2019, when they joined, puts them at a near zero percent likelihood of joining, and their GDP per capita puts them at less than a fifty percent chance. However, despite this, their desires to join the BRI are similar to those of Kazakhstan. Italy's government hopes that joining the BRI will improve Italian infrastructure, especially port infrastructure, and open up their businesses to new foreign markets. They see the BRI as a unique opportunity to gain new investments into their nation and to support Italian goods and businesses.

While these are just two possible case studies out of the 90 identified members, they provide a look at what some nations may hope to achieve by joining the BRI. They show the many similarities in the motivations for joining, such as a hope for improved infrastructure and access to foreign markets. Italy and Kazakhstan also provide a look into the differences between promoting the BRI in an Asian economy with close ties to China versus a European economy which has alliances with China's critics. In Kazakhstan, the BRI has already helped the production of large-scale infrastructure projects, such as the Khorgos-Eastern Gate, while in Italy advancement with the initiative has been slow due to conflicting commitments of the Italian government (their partnership with China versus their commitments to the EU, G7,

and NATO). Additionally, these case studies provide a look at some of the criticisms that can arise from a nation participating in the BRI. In Kazakhstan, these criticisms arose mostly in the form of fear that Chinese businesses would take land from Kazakhs, fears which the Kazakh government has attempted, somewhat successfully, to quell. In Italy, many criticisms come from their allies: the U.S., EU, and the rest of the G7. The response to these criticisms has been to recommit to their responsibilities within the EU and G7 while still looking to bolster their economy, while also pointing to nations such as Germany which have much higher annual trading amounts with China than Italy does.

In conclusion, nations which have a lower GDP and GDP per capita are more likely to join the BRI than richer nations. Being an AIIB signatory increases that likelihood even more. Countries like Kazakhstan reflect this data, with their government looking to improve their economy and increase their standing on the world stage through their BRI membership. Nations such as Italy joining is less expected as they have a much higher GDP. Despite that, their reasons for joining the BRI are similar to Kazakhstan's, with a desire to bolster their economy and gain greater access to foreign markets, particularly those in China.

Predominantly, it can be seen that the reason so many nations have joined the BRI, including ones that may not have been suspected to do so, is because the initiative is seen as an opportunity to gain investments in infrastructure, which is crucial for a nation's economy, and increase their global standing.

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APPENDIX

List of Nations Identified as BRI Members

Afghanistan	Ecuador	Libya	Poland	Timor-Leste
Albania	Egypt	Lithuania	Papua New Guinea	Tonga
Algeria	Estonia	Madagascar	Portugal	Trinidad and Tobago
Austria	Ethiopia	Malaysia	Romania	Tunisia
Azerbaijan	Fiji	Maldives	Russia	Turkey
Bahrain	Finland	Malta	Rwanda	Ukraine
Bangladesh	Ghana	Moldova	Samoa	United Arab Emirates
Barbados	Greece	Mongolia	Senegal	Uzbekistan
Belarus	Grenada	Montenegro	Serbia	Vanuatu
Bolivia	Guyana	Morocco	Seychelles	Vietnam
Bosnia and Herzegovina	Hungary	Mozambique	Sierra Leone	
Brunei	Indonesia	Myanmar	Singapore	
Bulgaria	Israel	Nepal	Slovak Republic	
Cambodia	Italy	New Zealand	Slovenia	
Cameroon	Jordan	Nigeria	Somalia	
Chile	Kazakhstan	North Macedonia	South Africa	
Costa Rica	Kenya	Oman	Sri Lanka	
Cote d'Ivoire	Kyrgyzstan	Pakistan	Tajikistan	
Croatia	Laos	Panama	Thailand	
Czech Republic	Latvia	Philippines		
	Lebanon			

BRI Participation Measurements

Country Name	Year of 1st Project	MoU	MoU Notes	BRI Forum Attendance 2019	BRI Forum Attendance 2017	Claimed by China	AIIB Signatory	SCO	Ancient Silk Road	Border China
Afghanistan		2016	Joint Statement 2018	No	No	2013	Yes	Observer	Yes	Yes
Angola				No	No		No	No	No	No
Albania		2017		No	No	2013	No	No	No	No
Andorra				No	No		No	No	No	No
United Arab Emirates		2018	Oil agreement 2017	Yes	No	2013	Yes	No	Yes	No
Argentina				No	Yes		No	No	No	No
Armenia				No	No	2013?	No	Dialogue	Yes	No
Antigua and Barbuda		2018	New MoU in 2019	No	No		No	No	No	No
Australia		2018	Victoria only	No	No		Yes	No	No	No
Austria		2018		Yes	No		Yes	No	No	No
Azerbaijan		2015		Yes	No	2013	Yes	Dialogue	Yes	No
Burundi				No	No		No	No	No	No
Belgium				No	No		Yes	No	No	No
Benin				No	No		No	No	No	No
Burkina Faso				No	No		No	No	No	No
Bangladesh		2019		No	No	2013	Yes	No	No	No
Bulgaria		2015		No	No	2013	No	No	No	No
Bahrain		2018		No	No	2013	Yes	No	No	No
Bahamas				No	No		No	No	No	No
Bosnia and Herzegovina		2017		No	No	2013	No	No	No	No
Belarus				Yes	Yes	2013	Yes	Observer	No	No
Belize				No	No		No	No	No	No
Bolivia		2018		No	No		No	No	No	No
Brazil				No	No		Yes	No	No	No
Barbados		2018		No	No		No	No	No	No
Brunei Darussalam				Yes	No	2013	Yes	No	Yes	No
Bhutan				No	No	2013	No	No	No	Yes
Botswana				No	No		No	No	No	No
Central African Republic				No	No		No	No	No	No
Canada				No	No		Yes	No	No	No
Switzerland		2019		Yes	Yes		Yes	No	No	No
Chile		2018		Yes	Yes		No	No	No	No
China ***				Yes***	Yes***		Yes ***	Yes ***	Yes ***	Yes ***
Cote d'Ivoire		2018		No	No		No	No	No	No
Cameroon		2018		No	No		No	No	No	No
Congo, Dem. Rep.				No	No		No	No	No	No
Congo, Rep.				No	No		No	No	No	No
Colombia				No	No		No	No	No	No
Comoros				No	No		No	No	No	No
Cabo Verde				No	No		No	No	No	No
Costa Rica		2018		No	No		No	No	No	No
Cuba				No	No		No	No	No	No
Cyprus		2019		Yes	No		Yes	No	No	No
Czech Republic		2015		Yes	Yes	2013	No	No	No	No
Germany				No	No		Yes	No	Yes	No
Djibouti				Yes	No		No	No	No	No
Dominica				No	No		No	No	No	No
Denmark				No	No		Yes	No	No	No
Dominican Republic				No	No		No	No	No	No
Algeria		2018		No	No		No	No	No	No
Ecuador		2018		No	No		No	No	No	No
Egypt		2016		Yes	No	2013	Yes	No	No	No
Eritrea				No	No		No	No	No	No
Spain				No	Yes		Yes	No	Yes	No
Estonia				No	No	2013	No	No	No	No
Ethiopia		2018		Yes	Yes		Yes	No	No	No
Finland		2017	Joint Declaration	No	No		Yes	No	No	No
Fiji		2018		No	Yes		Yes	No	No	No
France		2018	Joint Declaration	No	No		Yes	No	No	No
Micronesia				No	No		No	No	No	No
Gabon				No	No		No	No	No	No
United Kingdom				No	No		Yes	No	No	No
Georgia				No	No	2013	Yes	No	Yes	No
Ghana		2018		No	No		No	No	No	No
Guinea				No	No		Yes	No	No	No
The Gambia				No	No		No	No	No	No
Guinea-Bissau				No	No		No	No	No	No
Equatorial Guinea				No	No		No	No	No	No
Greece		2018		Yes	Yes		Yes	No	Yes	No
Grenada		2018		No	No		No	No	No	No
Guatemala				No	No		No	No	No	No
Guyana		2018		No	No		No	No	No	No
Honduras				No	No		No	No	No	No
Croatia		2017		No	No	2013	No	No	No	No
Haiti				No	No		No	No	No	No
Hungary		2015		Yes	Yes	2013	Yes	No	No	No
Indonesia		2015	Joint Declaration	Yes **	Yes	2013	Yes	No	Yes	No
India				No	No	2013	Yes	Yes	Yes	Yes
Ireland				No	No		Yes	No	No	No
Iran		2016		No	No	2013	Yes	Observer	Yes	No
Iraq				No	No	2013	No	No	Yes	No
Iceland				No	No		Yes	No	No	No
Israel		2017		No	No	2013	Yes	No	No	No
Italy		2019		Yes	Yes		Yes	No	Yes	No
Jamaica		2019		No	No		No	No	No	No
Jordan				No	No	2013	Yes	No	Yes	No
Japan				No	No		No	No	Yes	No
Kazakhstan		2015	Joint Declaration	Yes	Yes	2013	Yes	Yes	Yes	Yes
Kenya		2014	2018	Yes	Yes		No	No	Yes	No
Kyrgyzstan				Yes	Yes	2013	Yes	Yes	Yes	Yes
Cambodia				Yes	Yes	2013	Yes	Dialogue	Yes	No
Kiribati				No	No		No	No	No	No
St. Kitts and Nevis				No	No		No	No	No	No
South Korea				No	No		Yes	No	Yes	No
Kuwait				No	No	2013	Yes	No	Yes	No

Country Name	Year of 1st Project	MoU	MoU Notes	BRI Forum Attendance 2019	BRI Forum Attendance 2017	Claimed by China	AIIB Signatory	SCO	Ancient Silk Road	Border China
Laos	2016			Yes	Yes	2013	Yes	No	No	Yes
Lebanon		2017		No	No	2013	No	No	Yes	No
Liberia				No	No		No	No	No	No
Libya		2018		No	No		No	No	No	No
St. Lucia				No	No		No	No	No	No
Liechtenstein				No	No		No	No	No	No
Sri Lanka				No	Yes	2013	Yes	Dialogue	Yes	No
Lesotho				No	No		No	No	No	No
Lithuania		2017		No	No	2013	No	No	No	No
Luxembourg		2019		No	No		Yes	No	No	No
Latvia		2016		No	No	2013	No	No	No	No
Morocco		2017		No	No		No	No	No	No
Monaco				No	No		No	No	No	No
Moldova				No	No	2013	No	No	No	No
Madagascar		2017		No	No		Yes	No	Yes	No
Maldives		2017	Joint Communique	No	No	2013	Yes	No	No	No
Mexico				No	No		No	No	No	No
Marshall Islands				No	No		No	No	No	No
North Macedonia				No	No	2013	No	No	No	No
Mali				No	No		No	No	No	No
Malta		2018		No	No		Yes	No	No	No
Myanmar		2016	Joint Communique	Yes	Yes	2013	Yes	No	No	Yes
Montenegro		2017		No	No	2013	No	No	No	No
Mongolia				Yes	Yes	2013	Yes	Observer	No	Yes
Mozambique		2016		Yes	No		No	No	Yes	No
Mauritania				No	No		No	No	No	No
Mauritius				No	No		No	No	No	No
Malawi				No	No		No	No	No	No
Malaysia				Yes	Yes	2013	Yes	No	Yes	No
Namibia				No	No		No	No	No	No
Niger				No	No		No	No	No	No
Nigeria		2018		No	No		No	No	No	No
Nicaragua				No	No		No	No	No	No
Netherlands				No	No		Yes	No	No	No
Norway				No	No		Yes	No	No	No
Nepal				Yes	No	2013	Yes	Dialogue	Yes	Yes
Nauru				No	No		No	No	No	No
New Zealand		2017		No	No		Yes	No	No	No
Oman		2018		No	No	2013	Yes	No	Yes	No
Pakistan	2016	2018	Joint Statement	Yes	Yes	2013	Yes	Yes	Yes	Yes
Panama		2017		No	No		No	No	No	No
Peru				No	No		No	No	No	No
Philippines		2017	Joint Statement	Yes	Yes	2013	Yes	No	Yes	No
Palau				No	No		No	No	No	No
Papua New Guinea		2016	Joint Communique	Yes	No		No	No	No	No
Poland		2015		No	Yes	2013	Yes	No	No	No
North Korea				No	No		No	No	Yes	Yes
Portugal		2018		Yes	No		Yes	No	No	No
Paraguay				No	No		No	No	No	No
Qatar				No	No	2013	Yes	No	Yes	No
Romania		2015		No	No	2013	Yes	No	No	No
Russia				Yes	Yes	2013	Yes	Yes	Yes	Yes
Rwanda		2018		No	No		No	No	No	No
Saudi Arabia				No	No	2013	Yes	No	No	No
Sudan				No	No		Yes	No	Yes	No
Senegal		2018		No	No		No	No	No	No
Singapore		2018		Yes	No	2013	Yes	No	Yes	No
Solomon Islands				No	No		No	No	No	No
Sierra Leone		2018		No	No		No	No	No	No
El Salvador				No	No		No	No	No	No
San Marino				No	No		No	No	No	No
Somalia		2018		No	No		No	No	Yes	No
Serbia		2015		Yes	Yes	2013	Yes	No	No	No
South Sudan				No	No		No	No	No	No
Sao Tome and Principe				No	No		No	No	No	No
Suriname				No	No		No	No	No	No
Slovakia		2015		No	No	2013	No	No	No	No
Slovenia				No	No	2013	No	No	No	No
Sweden				No	No		Yes	No	No	No
Eswatini				No	No		No	No	No	No
Seychelles		2018		No	No		No	No	No	No
Syria				No	No	2013	No	No	Yes	No
Chad				No	No		No	No	No	No
Togo				No	No		No	No	No	No
Thailand		2014	Joint Communique	Yes	No	2013	Yes	No	Yes	No
Tajikistan				Yes	No	2013	Yes	Yes	Yes	Yes
Turkmenistan				No	No	2013	No	No	Yes	No
Timor-Leste		2014	Joint Statement	No	No	2013	Yes	No	No	No
Tonga		2018	MoU and Joint Communique	No	No		No	No	No	No
Trinidad and Tobago		2018		No	No		No	No	No	No
Tunisia		2018		No	No		No	No	No	No
Turkey		2015		No	Yes	2013	Yes	Dialogue	Yes	No
Tuvalu				No	No		No	No	No	No
Tanzania				No	No		No	No	Yes	No
Uganda				No	No		No	No	No	No
Ukraine		2017		No	No	2013	No	No	No	No
Uruguay				No	No		No	No	No	No
United States				No	No		No	No	No	No
Uzbekistan				Yes	Yes	2013	Yes	Yes	Yes	No
St. Vincent and the Grenadines				No	No		No	No	No	No
Venezuela				No	No		No	No	No	No
Vietnam				Yes	Yes	2013	Yes	No	Yes	Yes
Vanuatu		2018		No	No		Yes	No	No	No
Samoa		2018		No	No		Yes	No	No	No
Yemen				No	No	2013	No	No	Yes	No
South Africa		2015		No	No		Yes	No	No	No
Zambia				No	No		No	No	No	No
Zimbabwe				No	No		No	No	No	No

AUTHOR'S BIO

Patrick Groening was born and raised in Belfast, Maine. He grew up with his parents, Leanne and Steve Groening, and his younger brother, Daniel Groening. He graduated from Belfast Area High School in 2016. At the University of Maine, he was a member of the Honors College and studied International Affairs with a minor in Ecology and Environmental Science, as well as a minor in History. He was a member of Pi Sigma Alpha and Phi Alpha Theta. He also spent a semester abroad studying at the American University of Rome. The summers after his sophomore and junior years he spent interning for the Town of Union, Maine through the Maine Government Summer Internship Program.