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**China's Role in Shaping Regional Cooperation and Integration in South Asia:  
The Impact of the Belt and Road Initiative**

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**Abstract**

China's growing engagement in South Asia has significantly transformed the region's political, economic, and strategic landscape. Central to this engagement is the Belt and Road Initiative (BRI), a flagship global development strategy aimed at enhancing connectivity, trade, infrastructure development, and regional cooperation. Through large-scale investments in transportation networks, energy projects, ports, and digital infrastructure, China has positioned itself as a key driver of regional integration in South Asia. This study examines China's role in shaping regional cooperation and integration in South Asia with a particular focus on the impact of the Belt and Road Initiative. It analyzes how BRI-related projects such as the China–Pakistan Economic Corridor (CPEC), port development, and cross-border infrastructure have influenced economic interdependence, regional connectivity, and diplomatic relations among South Asian states. The study also explores challenges associated with BRI, including debt sustainability concerns, geopolitical rivalries, and regional security issues. Using a qualitative research approach based on secondary sources, this research highlights both the opportunities and limitations of China's BRI in promoting sustainable regional integration in South Asia. The findings suggest that while BRI has enhanced regional connectivity and economic cooperation, its long-term success depends on inclusive development, political stability, and balanced regional diplomacy.

**Keywords:** Belt and Road Initiative, China, South Asia, Regional Integration, Regional Cooperation, CPEC, Connectivity

**Introduction**

South Asia is one of the world's most populous and strategically significant regions, yet it remains economically fragmented and politically divided. Historical conflicts, weak regional institutions, and limited intra-regional trade have hindered meaningful cooperation and integration. In this context, China's expanding role has introduced new dynamics into South Asian regional politics (Qais et al., 2024). Over the past two decades, China has emerged as a major economic partner and strategic actor in the region, engaging with countries such as Pakistan, Sri Lanka, Bangladesh, Nepal, and the Maldives through trade, investment, and

infrastructure development (Zhuang, 2025).

The launch of the Belt and Road Initiative in 2013 marked a turning point in China's regional and global outreach. The BRI aims to revive ancient trade routes by developing modern infrastructure corridors connecting Asia, Europe, and Africa (Kuszevska, 2021). In South Asia, the initiative has focused on improving physical connectivity through highways, railways, ports, energy pipelines, and digital networks (Thaba, 2025). Projects such as the China–Pakistan Economic Corridor (CPEC), Hambantota Port in Sri Lanka, and infrastructure investments in Bangladesh and Nepal exemplify China's commitment to regional connectivity and economic integration (Afzal and Nishtar 2023).

China's involvement through the BRI has generated both optimism and controversy. Proponents argue that BRI promotes regional cooperation by reducing infrastructure gaps, boosting trade, and fostering economic interdependence. Critics, however, raise concerns regarding debt dependency, sovereignty issues, environmental impacts, and China's growing strategic influence. India's opposition to BRI, particularly due to sovereignty concerns related to CPEC, has further complicated regional cooperation in South Asia (Oswald and Eckhardt, 2022).

This research article seeks to analyze China's role in shaping regional cooperation and integration in South Asia through the Belt and Road Initiative (Rehman, 2024). It explores how BRI has influenced economic linkages, diplomatic relations, and regional connectivity, while also assessing the challenges and limitations that accompany China's expanding regional presence (Guo et al., 2019).

### **Objectives of the Study**

The main objective of this study is to analyze China's role in promoting regional cooperation and integration in South Asia through the Belt and Road Initiative.

### **Sub-Objectives**

- To examine the strategic and economic motivations behind China's Belt and Road Initiative in South Asia.
- To analyze the impact of BRI projects on regional connectivity and economic cooperation in South Asia.
- To assess the challenges and geopolitical implications of China's growing influence in the region.
- To evaluate the prospects of sustainable regional integration under the BRI framework.

### **Research Questions**

How has China's Belt and Road Initiative contributed to regional cooperation and integration in South Asia?

What role do major BRI projects, particularly CPEC, play in enhancing regional connectivity?

How the political, economic, and strategic challenges associated with BRI in South Asia?

Can BRI promote long-term regional integration despite existing regional rivalries?

### **Significance of the Study**

This study is significant as it provides a comprehensive understanding of China's evolving role in South Asia through the Belt and Road Initiative. It contributes to academic debates on regional integration, development diplomacy, and great power influence in South Asia. By examining both the opportunities and challenges of BRI, the study offers valuable insights for policymakers, scholars, and students of Pakistan Studies and International Relations. It also helps in understanding how external actors, particularly China, can influence regional cooperation in historically fragmented regions like South Asia.

### **Sources and Methodology**

This research is qualitative in nature and adopts a descriptive and analytical approach. Data is collected from secondary sources, including academic books, peer-reviewed journal articles, policy reports, official Chinese government documents, and publications by international organizations.

Key sources include scholarly works on China's foreign policy, regional integration theories, and South Asian political economy. Reports from institutions such as the World Bank, Asian Development Bank, and Chinese policy think tanks are also used to analyze the economic impact of BRI projects. Newspaper articles and official statements provide insights into contemporary developments and regional responses to BRI. The collected data is critically analyzed to assess China's role in shaping regional cooperation and integration in South Asia.

## **Literature Review**

China's expanding engagement in South Asia through the Belt and Road Initiative (BRI) has attracted significant scholarly attention in recent years. Existing literature broadly agrees that China's approach toward regional cooperation and integration in South Asia is driven by a combination of economic ambitions, strategic calculations, and a long-term vision of connectivity-led development. Scholars emphasize that BRI represents not merely an infrastructure project but a comprehensive framework aimed at enhancing regional interdependence, improving connectivity, and reshaping economic and political relations across South Asia. Through initiatives such as the China–Pakistan Economic Corridor (CPEC), port development, and cross-border infrastructure investment, China has sought to integrate South Asian economies into wider regional and global networks. At the same time, the literature also highlights concerns related to geopolitical competition, debt sustainability, and regional power asymmetries. Overall, existing studies suggest that China's role in South Asia under the BRI framework is shaped by a blend of economic pragmatism, strategic outreach, and regional diplomacy.

### **The literature review is divided into three sub-sections**

#### **Economic and Ideological Foundations of China's Regional Engagement**

A significant body of literature emphasizes that China's role in promoting regional cooperation in South Asia is rooted in its development-oriented ideology and economic statecraft. Since the early 2000s, China has increasingly projected itself as a development partner rather than a traditional hegemonic power. Scholars argue that the Belt and Road Initiative reflects China's belief that economic connectivity, infrastructure development, and trade integration can foster political stability and regional cooperation (Boon, 2021).

China's engagement in South Asia is often framed within its broader vision of "peaceful development" and "win-win cooperation." According to many analysts, Beijing presents BRI as an inclusive initiative designed to bridge infrastructure gaps, reduce poverty, and enhance economic growth across developing regions, including South Asia. This narrative resonates strongly in South Asian states where inadequate infrastructure has historically constrained regional integration (Rasool, 2024).

The literature further notes that China's ideological framing of BRI avoids overt political conditionality, distinguishing it from Western-led development models. By emphasizing sovereignty, non-interference, and mutual benefit, China appeals to South Asian states that are wary of external political pressure. This approach has enabled China to expand its influence while maintaining cooperative relations with diverse political regimes (Mayer and Zhang, 2021).

Moreover, scholars highlight that China's economic engagement is closely linked to its domestic development priorities. The western regions of China, particularly Xinjiang, are seen as gateways to South Asia. Improved connectivity through BRI corridors is viewed as essential for sustaining China's long-term economic growth and internal stability. Thus, China's ideological commitment to development-driven integration forms a core foundation of its regional strategy in South Asia (Liu, 2022).

#### **Strategic Dimensions of China's Role in South Asian Integration**

While economic cooperation forms the backbone of China's engagement, strategic considerations are equally central to its role in South Asia. Scholars widely agree that BRI serves as a strategic instrument for expanding

China's regional footprint and securing critical trade and energy routes. South Asia's proximity to the Indian Ocean makes it particularly important for China's maritime and energy security objectives (Faisal, 2022).

The China–Pakistan Economic Corridor (CPEC) is frequently cited in the literature as the most prominent example of China's strategic engagement in the region. Researchers argue that CPEC not only strengthens bilateral ties between China and Pakistan but also enhances regional connectivity by linking South Asia with Central Asia, the Middle East, and beyond (Liu, 2022). Gwadar Port, in particular, is viewed as a strategic asset that provides China with access to the Arabian Sea and reduces reliance on the Strait of Malacca (Zhang, 2021)

At the same time, the literature acknowledges that China's growing presence has intensified regional rivalries, particularly with India (Haider, 2025). Many scholars point out that India perceives BRI as a challenge to its regional leadership and strategic autonomy, leading to its refusal to participate in the initiative. This geopolitical competition has complicated efforts toward broader regional integration in South Asia (Shamil, 2024).

Additionally, analysts note that China's engagement with smaller South Asian states such as Sri Lanka, Bangladesh, Nepal, and the Maldives reflects a strategy of diversified partnerships. These relationships provide China with diplomatic leverage while offering recipient states alternatives to traditional regional power structures. However, concerns regarding debt dependency and strategic vulnerability are frequently raised in this context (Loc, 2023).

Overall, the literature suggests that China's strategic objectives under BRI both enable and constrain regional cooperation. While infrastructure connectivity promotes integration, geopolitical competition continues to limit the full realization of regional cohesion.

### **Diplomatic, Institutional, and Developmental Impacts of BRI**

A growing strand of literature focuses on the diplomatic and institutional implications of China's Belt and Road Initiative in South Asia. Scholars argue that BRI has reshaped diplomatic engagement by prioritizing bilateral and sub-regional cooperation over traditional multilateral frameworks such as SAARC, which has long been hampered by political disputes (Qais et al.2023).

China's diplomatic approach emphasizes project-based cooperation, long-term investment, and high-level political engagement. Through regular summits, bilateral agreements, and development financing, China has positioned itself as a key stakeholder in South Asia's development trajectory. This has strengthened China's diplomatic influence while encouraging participating states to align their development strategies with BRI objectives (Shamil, 2024).

The literature also highlights the developmental impact of BRI projects, particularly in the areas of energy, transportation, and industrial development. Improved infrastructure has the potential to enhance intra-regional trade, reduce transaction costs, and foster economic interdependence among South Asian states. Scholars argue that such interdependence is a critical prerequisite for sustainable regional integration (Zhuang, 2025). However, critical perspectives caution that the benefits of BRI are unevenly distributed. Some studies argue that weak institutional capacity and governance challenges in South Asian states may limit the long-term effectiveness of Chinese investments. Environmental concerns, transparency issues, and social impacts have also emerged as key areas of critique (Mansoor, 2023).

Despite these challenges, the literature broadly agrees that China's diplomatic and developmental engagement under BRI has altered the regional landscape of South Asia. While its ability to fully integrate the region remains contested, BRI has undeniably introduced new avenues for cooperation, connectivity, and economic interaction.

### **China's Strategic Vision and the Belt and Road Initiative**

The Belt and Road Initiative (BRI), announced by Chinese President Xi Jinping in 2013, represents a

cornerstone of China's long-term strategic vision aimed at reshaping regional and global economic connectivity. Scholars widely interpret the BRI as a comprehensive framework combining economic development, geopolitical strategy, and foreign policy outreach (Hanif, 2025). By 2024, more than 150 countries and international organizations had formally joined the BRI, with cumulative announced investments exceeding USD 1 trillion, making it the largest infrastructure and connectivity initiative in modern history (Rashid, 2023).

In South Asia, the BRI serves multiple interrelated objectives. Economically, China seeks to secure trade routes, diversify export markets, ensure access to energy resources, and promote cross-border investment flows. Strategically, the initiative enhances China's regional influence by embedding its economic presence within the development trajectories of South Asian states (Sutanto, 2025). South Asia's geostrategic position connecting East Asia, the Middle East, Central Asia, and the Indian Ocean renders it central to China's vision of Eurasian integration (Faisal, et al, 2022).

A critical driver of China's engagement in South Asia through the BRI is the region's persistent infrastructure deficit. According to the Asian Development Bank, South Asia requires over USD 200 billion annually in infrastructure investment to sustain economic growth and regional integration (Winter, 2021). Weak transport connectivity, unreliable energy supplies, and inefficient logistics systems have historically constrained trade within the region, where intra-regional trade accounts for less than 6% of total trade, one of the lowest rates globally (World Bank, 2020). BRI projects directly target these bottlenecks by financing highways, railways, ports, power plants, and digital infrastructure (Tahir, et al, 2022).

BRI-supported infrastructure projects are designed to enhance cross-border connectivity and reduce transaction costs, thereby stimulating trade and investment. Empirical studies indicate that improved transport infrastructure under BRI corridors can reduce trade costs by up to 10–15%, significantly increasing trade volumes between participating countries (Mayer and Zhang 2022). By linking South Asian economies with China and global markets, the BRI aims to create networks of interdependent economies, fostering shared growth and deeper regional integration (Huang, 2016).

The China–Pakistan Economic Corridor (CPEC) stands as the flagship BRI project in South Asia and a central pillar of China's regional strategy. With pledged investments exceeding USD 60 billion, CPEC encompasses energy projects, road and rail networks, special economic zones, and the development of Gwadar Port (Das, 2023). Scholars argue that CPEC not only strengthens Pakistan's infrastructure base but also provides China with a strategic outlet to the Arabian Sea, reducing reliance on the Strait of Malacca for energy imports and enhancing China's energy security (Hussain, 2024).

Beyond Pakistan, China's strategic vision includes expanding connectivity through proposed corridors such as the Bangladesh-China-India-Myanmar (BCIM) Economic Corridor, which aims to integrate South and Southeast Asian economies. Although progress on BCIM has been limited due to geopolitical tensions, academic literature suggests that such corridors reflect China's broader ambition to institutionalize regional economic cooperation through infrastructure-led integration (Ullah, 2024).

From a diplomatic perspective, the BRI functions as a tool of economic statecraft. By providing concessional loans, development financing, and technical expertise, China has strengthened bilateral ties with South Asian states while positioning itself as an alternative development partner to Western-led institutions (Sutanto et al. 2024). The emphasis on sovereignty, non-interference, and development-first cooperation has resonated with many governments in the region (Sutanto, 2024).

Nevertheless, scholarly debates also highlight significant challenges associated with the BRI in South Asia. Concerns regarding debt sustainability, transparency, environmental impact, and local governance have emerged in several recipient countries (Brautigam, 2020). Critics argue that weak institutional capacity in some South Asian states may limit their ability to negotiate favorable terms, potentially creating long-term fiscal vulnerabilities (Jones & Zeng, 2019). Furthermore, India's opposition to the BRI particularly due to sovereignty concerns over CPEC has complicated prospects for inclusive regional integration (UI Mansoor,

2023).

China's strategic vision behind the Belt and Road Initiative in South Asia reflects an integrated approach combining infrastructure development, economic interdependence, and diplomatic engagement. While the BRI offers substantial opportunities for addressing infrastructure gaps and promoting regional connectivity, its long-term success will depend on effective governance, debt management, and geopolitical accommodation among South Asian states (Faisal, 2023).

### **China–Pakistan Economic Corridor (CPEC): The Flagship BRI Project**

The China–Pakistan Economic Corridor (CPEC) is the flagship initiative of China's Belt and Road Initiative (BRI) in South Asia and constitutes the central pillar of the China–Pakistan strategic partnership. Launched in 2013, CPEC represents a multidimensional framework of cooperation encompassing energy generation, transportation infrastructure, industrial development, digital connectivity, and port modernization, particularly the development of Gwadar Port. With estimated investments exceeding USD 60 billion, CPEC is widely recognized as one of the largest bilateral development initiatives in the developing world (Kuszevska, 2021).

A primary objective of CPEC is to address Pakistan's long-standing infrastructure and energy deficiencies that have historically constrained economic growth and regional integration. Pakistan's transport network has suffered from inefficiencies, poor connectivity, and high logistics costs. CPEC-related road and motorway projects, including the Karakoram Highway expansion and new north–south corridors, have significantly improved internal connectivity and reduced travel and freight costs, thereby enhancing Pakistan's trade competitiveness. These improvements also strengthen Pakistan's potential role as a regional transit hub linking South Asia with Central Asia, China, and the Middle East (Sattar, et al, 2022)

Energy cooperation constitutes another core pillar of CPEC. Prior to the launch of the corridor, Pakistan experienced chronic electricity shortages that disrupted industrial activity and reduced economic productivity. CPEC energy projects including coal-based power plants, hydropower stations, solar and wind energy facilities have contributed substantially to Pakistan's installed electricity capacity. Studies estimate that CPEC energy investments could add more than 16,000 megawatts to the national grid, improving energy security and stabilizing industrial output (Wang et al., 2024). Empirical research further indicates that enhanced energy availability under CPEC has positive spillover effects on employment generation, poverty reduction, and industrial expansion (Shamil, 2024).

The development of Gwadar Port is one of the most strategically significant components of CPEC. Situated near the Strait of Hormuz, Gwadar provides China with direct access to the Arabian Sea while offering Pakistan an opportunity to emerge as a major maritime and logistics hub. Scholars argue that Gwadar's location enhances regional trade connectivity by shortening transit routes for energy imports and exports, thereby reducing dependence on longer maritime pathways (Liu 2022). The establishment of free zones, port facilities, and logistics infrastructure at Gwadar is expected to facilitate regional trade flows and integrate Pakistan more deeply into global supply chains.

Beyond national benefits, CPEC carries important implications for regional cooperation and integration. The corridor has the potential to provide transit and trade opportunities for neighboring countries, including Afghanistan and Central Asian states, by offering alternative access routes to global markets. Economic interdependence generated through shared infrastructure and trade networks is widely regarded as a catalyst for regional integration and political cooperation (Bishwakarma, 2022).

However, the literature also highlights several challenges associated with CPEC's implementation. Security concerns, particularly in Balochistan, governance limitations, debt sustainability debates, and uneven regional development remain critical issues. Some scholars caution that without transparent governance, local participation, and inclusive development policies, the long-term sustainability of CPEC may be compromised (Liverani, 2023). Addressing these concerns is essential to ensuring that CPEC contributes not only to bilateral

growth but also to broader regional stability and integration.

## **BRI Engagement with Other South Asian States**

### **Sri Lanka: Maritime Silk Road and Strategic Ports**

China's engagement in Sri Lanka under the Belt and Road Initiative has primarily focused on maritime infrastructure and port development, positioning the country as a critical hub in the 21st Century Maritime Silk Road. Key projects include the Hambantota Port, developed with Chinese financing and operated under a 99-year lease to China, and the Colombo Port City, an extensive land reclamation and urban development project aimed at creating a modern financial district (Rashid et al, 2022).

These investments have enhanced port efficiency and cargo handling capacity, facilitating trade between South Asia, East Asia, and the Middle East. The Colombo Port, for instance, handled over 7.4 million TEUs in 2023, making it one of the busiest ports in the region (Rajapaksa & Sun, 2023). By providing strategically located maritime nodes, China strengthens shipping routes that complement BRI's overland corridors, contributing to a more integrated regional logistics network.

However, Sri Lanka's experience has highlighted potential challenges. Critics emphasize the debt trap risks, as Hambantota Port's financing amounted to approximately USD 1.3 billion, raising concerns about fiscal dependency and long-term sovereignty (Rashid et al, 2022). Moreover, such investments have political implications, as they can influence domestic decision-making and foreign policy orientation. Scholars note that while these projects may generate economic benefits, they also reshape the strategic balance in the Indian Ocean, raising apprehension in India and other regional actors (Haider, 2022).

In the long term, if Sri Lanka balances debt management and project implementation efficiently, these investments could boost regional trade, tourism, and industrial growth, making Sri Lanka a key maritime gateway for South Asian regional integration.

### **Bangladesh: Transport and Industrial Connectivity**

Bangladesh's engagement in BRI focuses on land-based connectivity, industrial development, and energy infrastructure, aiming to strengthen its integration into regional and global value chains. Key projects include the Padma Bridge, Dhaka-Chittagong Expressway upgrades, and power generation plants funded through Chinese investment (Zhuang, 2025).

These initiatives are helping Bangladesh overcome infrastructure bottlenecks, such as inefficient road transport networks and chronic power shortages. For example, BRI-backed power projects have added approximately 3,000 MW to the national grid, reducing energy deficits and supporting industrial growth (Qais et al., 2024). Improved highways and railways reduce transit time for goods, enhancing export competitiveness, particularly in garments, pharmaceuticals, and manufactured goods, which constitute over 80% of Bangladesh's exports.

Strategically, BRI projects in Bangladesh enhance connectivity with China via the India-Bangladesh-China economic corridor, creating alternative trade routes that bypass maritime congestion and facilitate cross-border commerce. They also strengthen Bangladesh's bargaining power in regional trade forums such as SAARC and BIMSTEC (Pal, 2021).

Nonetheless, scholars warn of risks, including loan repayment pressures, currency fluctuation, and potential overreliance on Chinese contractors (Hasan, 2024). Successful management of these projects requires transparent governance, robust regulatory frameworks, and alignment with Bangladesh's national development goals.

### **Nepal: Trade Diversification and Hydropower**

Nepal's BRI engagement emphasizes cross-border transport connectivity, hydropower development, and industrial expansion, reducing the country's overreliance on Indian transit routes and enhancing its strategic

autonomy (Kuszevska, 2021). Key infrastructure projects include the Kodari-Kathmandu highway upgrades, the Rasuwa border crossing improvements, and multiple hydropower plants with combined capacity exceeding 500 MW, contributing to energy security.

BRI connectivity enables Nepal to diversify trade routes, facilitating exports to China and onward to East Asia while attracting investment for industrial growth in sectors such as cement, tourism, and hydropower. Enhanced road and transport infrastructure reduces travel time from Kathmandu to the Chinese border from 12 hours to under 6 hours, boosting logistical efficiency and economic potential (Afzal and Nishtar 2023). Financially, Nepal faces constraints due to limited fiscal space and debt vulnerability. Scholars highlight the importance of careful loan management and project prioritization to avoid creating long-term financial burdens (Boon, 2021). Geographically, Nepal's mountainous terrain adds engineering and cost challenges to large-scale BRI projects, which require specialized construction and maintenance.

### **Bhutan and Maldives: Emerging Engagements**

While BRI projects in Bhutan and Maldives are less extensive, China has initiated smaller-scale infrastructure and energy investments in these states. In Bhutan, road development and hydropower collaboration aim to improve domestic connectivity and renewable energy generation. In the Maldives, Chinese investments focus on port development, urban infrastructure, and tourism facilities, enhancing regional maritime connectivity (Rasool, 2024).

### **Regional Implications of BRI Engagement**

China's Belt and Road Initiative (BRI) across South Asia, particularly in Sri Lanka, Bangladesh, and Nepal, demonstrates a consistent pattern of promoting connectivity, trade facilitation, and economic development. By linking multiple economies through transport corridors, energy networks, industrial zones, and digital infrastructure, BRI creates a framework for enhanced regional interdependence and lays the groundwork for a more integrated South Asian economic space (Liu, 2022).

### **Economic Integration and Trade Facilitation**

One of the most significant implications of BRI engagement is the potential to strengthen regional trade networks. Infrastructure projects such as highways, ports, and railways reduce transport costs and transit times, while energy investments stabilize electricity supplies, supporting industrial growth (Shamil, 2024). For example, the improved connectivity of Colombo Port and Hambantota Port in Sri Lanka facilitates maritime trade across the Indian Ocean, allowing goods from South Asia to access global markets more efficiently (Haider, 2025).

In Bangladesh, highway and railway upgrades, along with energy projects, enhance the country's integration into regional supply chains, particularly in textiles, pharmaceuticals, and manufacturing, sectors that contribute over 80% of its exports (Loc, 2023). Nepal's improved road networks and cross-border infrastructure diversify trade routes, reducing dependency on India and linking Nepal to Chinese markets (Qais et al.2023). Collectively, these initiatives help South Asian countries overcome historical infrastructural bottlenecks and participate more actively in global trade flows.

### **Socio-Economic Development and Employment**

BRI projects contribute to local socio-economic development by creating employment opportunities, facilitating technology transfer, and promoting industrial growth (Hasan, 2024). Large-scale port, transport, and energy projects generate direct jobs in construction and logistics, while indirect employment arises from increased trade activity and industrial expansion. For instance, the Colombo Port City project in Sri Lanka is expected to create tens of thousands of jobs in construction, logistics, and services over the next decade (BRI Investment Report, 2019). Similarly, power and transport infrastructure projects in Bangladesh and Nepal

improve access to energy, reduce industrial bottlenecks, and support poverty reduction effort.

### **Geopolitical and Strategic Implications**

Despite its economic potential, BRI also carries significant geopolitical and strategic implications. Host countries must balance the benefits of Chinese investment with concerns about financial dependence, political leverage, and sovereignty (Zhang, 2024). India, for example, has expressed opposition to certain BRI projects such as CPEC, highlighting how strategic rivalries can influence regional reception of Chinese infrastructure initiatives. Smaller South Asian states may face pressures to align their foreign policies with Chinese interests due to the scale and strategic significance of BRI investments (Mansoor, 2023).

Furthermore, BRI enhances China's ability to project influence in the Indian Ocean and across South Asia, which has broader implications for regional security, trade, and diplomacy. Maritime and overland corridors create alternative trade routes that bypass traditional chokepoints, increasing China's leverage in regional supply chains and potentially altering the strategic balance in South Asia (Hanif, 2025).

### **Conclusions**

The Belt and Road Initiative (BRI) has emerged as a transformative framework for regional connectivity, economic development, and strategic cooperation in South Asia. Through flagship projects like the China–Pakistan Economic Corridor (CPEC) and major infrastructure, energy, and industrial investments in Sri Lanka, Bangladesh, and Nepal, China has significantly enhanced transport networks, port facilities, energy generation, and industrial capacity. These initiatives address long-standing developmental challenges such as inadequate logistics, energy shortages, and limited cross-border connectivity, while facilitating trade, investment, and industrial growth. By linking South Asian economies with China and beyond, BRI fosters economic interdependence, regional integration, and opportunities for shared prosperity. Furthermore, these projects contribute to creating industrial zones, improving digital connectivity, and strengthening regional supply chains, offering long-term socio-economic benefits to host countries and positioning them as key nodes in the broader regional and global trade network.

Despite these opportunities, BRI also presents geopolitical, financial, and strategic challenges. Concerns over debt sustainability, political influence, and environmental impact persist, while regional rivalries, particularly India's opposition to CPEC through disputed territories, complicate the initiative's broader acceptance. The effectiveness of BRI in promoting sustainable regional cooperation depends on transparent governance, inclusive stakeholder engagement, equitable benefit distribution, and alignment with national development priorities. If managed effectively, BRI has the potential to accelerate inclusive economic growth, strengthen regional collaboration, improve trade efficiency, and integrate South Asia more effectively into the global economy, reflecting China's strategic vision of connectivity, shared prosperity, and regional stability. Overall, BRI not only serves as a vehicle for infrastructure development but also as a platform for geo-economic diplomacy, regional cooperation, and long-term socio-economic transformation in South Asia, with the capacity to reshape the region's economic and geopolitical landscape.

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