Security Challenges and Implications of the Russia-Ukraine War in 2022 for China's Belt and Road Initiative

Yanjie Li*

Quanzhou No. 5 Middle School, Quanzhou, 362000, China

*Corresponding author: qz5z@263.net.cn

Abstract. This article will study the influence of the Russia-Ukraine War on the economic globalization policies of various countries, especially China's Belt and Road Initiative, in the 21st century when the trend of economic globalization is developing rapidly. To predict the future challenges of globalization. Among them, this paper will focus on the analysis of the social conditions and political changes in the neighboring countries where the war took place, as well as the social and political environment required by China's Belt and Road model, and the negative impact of China's current sluggish economic situation due to the COVID-19 pandemic, to find out the impact of the Russia-Ukraine war. And finally, through the above research, this paper will conclude the difficulties faced by China's Belt and Road Initiative and how to limit the negative impact of suggestions.

Keywords: Russia-Ukraine war in 2022, OBOR Initiative, Globalization of economy, Russia, China.

1. Introduction

The "Donetsk People's Republic" and the "Luhansk People's Republic" in eastern Ukraine were officially recognized by a decree issued by Russian President Vladimir Putin on the evening of February 21, 2022. This act seriously infringes on the sovereignty and territorial integrity of Ukraine. A violent border skirmish ensued, followed by war. As a comprehensive strategic partner of Russia, China is bound to be directly or indirectly affected by Russia's foreign policy. They will also have implications for China's economic strategy, particularly the One Belt, One Road Initiative. China's economic cycle is turning down due to the financial and trade war between the U.S. and China in 2018 and the COVID-19 pandemic in 2020. Therefore, China urgently needs the Belt and Road strategy to break the economic downturn.

First, China can use its cumulative foreign exchange reserves to fuel globalisation. China can also encourage the growth of regional cooperation and the free movement and efficient distribution of resources. Thirdly, China can constrain the United States' attempt to conduct a high-profile pivot to Asia and fight its leadership efforts to bypass and isolate China by advancing the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) (Transatlantic Trade Partnership Negotiations). Through the economic and commercial potential presented by the "One Belt, One Road" initiative, China can grab the right to establish new global trade standards [1]. However, the Belt and Road is in great need of political, economic and social stability of the countries through which it passes. And the war between Russia and Ukraine has obviously destabilized the regional stability of the northern route of the Belt and Road that is already operating. This will add more challenges to China's economy, which is experiencing a downturn in the economic cycle, and it will bring new uncertainties to China's alliance with Russia. As one of the most influential countries in the world, China and Russia can make a more accurate prediction of the future pattern of the world by studying their anti-risk ability and response when their economic strategies encounter unexpected situations. Therefore, it is particularly important to study the state of its current economic strategy and international relations. This paper will study the influence of the Russia-Ukraine war on China's Belt and Road strategy.

2. The Impact on China's Belt and Road Initiative

2.1 Social Impact

2.1.1 Influence on the Society of the Northern Route of the Belt and Road

Destabilizing the regional social environment, threatening the ongoing China-Europe freight train and the Ukraine-China freight train that just opened on September 28, 2021.

As a result of the conflict, commodities prices fluctuated widely and the risk of global trade for countries in the region rose dramatically. Commodities production and international trade, of which Russia and Ukraine were important providers, were severely harmed by the conflict. Natural gas, oil, and wheat, among other commodities, have all seen price increases as a result of the conflict between Russia and Ukraine. In order to show these changes more directly, Fig.1 and Fig.2 can show the data of energy futures price changes caused by the Russia-Ukraine war.

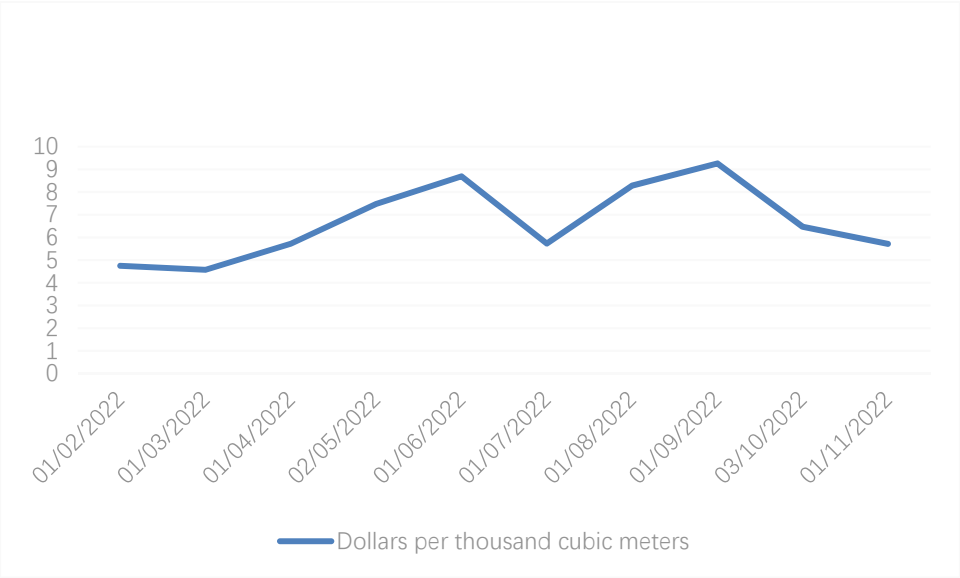


Fig. 1 The price of natural gas futures in New York in 2022 following the Russia-Ukraine war [2]

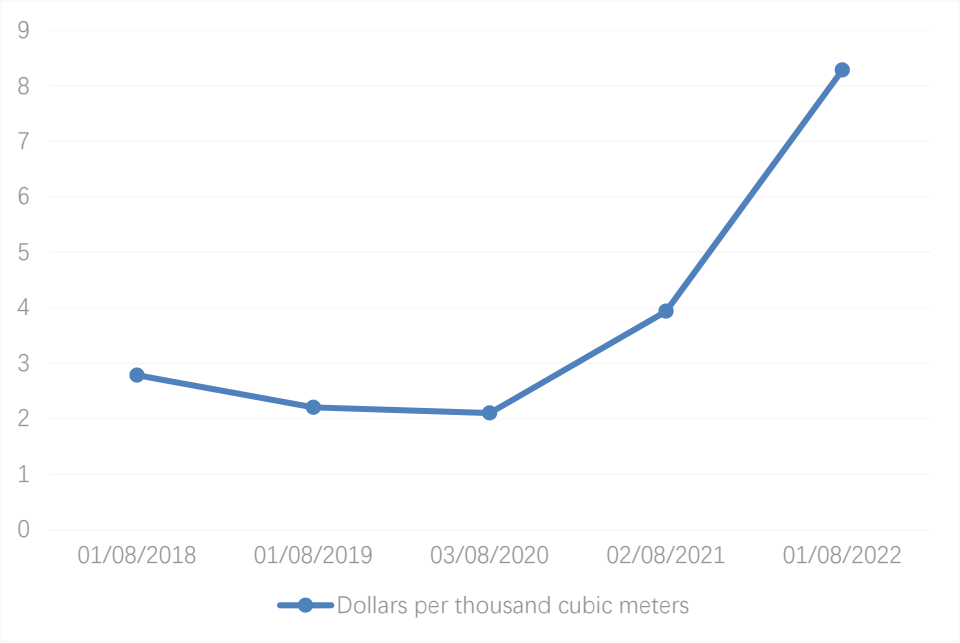


Fig. 2 The change in New York natural gas futures prices from August 2018 to November 2022 [2]

Through the comparison of the above two sets of figures, it can be concluded that the Russo-Ukraine war had a huge impact on international trade, especially the energy trade with neighboring countries. The impact further intensified with the escalation of the Russia-Ukraine war in April 2022. Globalization considerably enhances market agents' capacity to respond decisively to political risk, making it impossible for integrated governments to avoid the economic repercussions of political rivalry. Because global integration enables investors to transfer cash overseas with increased speed and convenience, the economic repercussions can be both large and immediate [3]. As a result, capital from neighboring countries choose to abandon Europe and invest in other regions, such as the United States and East Asian countries with relatively stable economic environment, due to the lack of stable investment environment. This is contrary to the idea of China's "One Belt One Road" strategy, which aims to deepen trade cooperation among participating countries by strengthening the connections between countries, so as to retain domestic capital to invest in domestic infrastructure or the advantageous industries of participating countries. Therefore, this seriously challenges the implementation of China's Belt and Road strategy in Eastern Europe and seriously reduces its economic gains in Eastern Europe. This is not good news for China's emerging global economic strategy, which wants to challenge the U.S. -led global trade order, because This creates a negative image (distrust or doubt) of China's emerging strategy for other countries that are already on the fence. This will seriously hamper the promotion of China's One Belt, One Road strategy.

2.1.2 Influence on International Public Opinion

As an important ally of Russia, China will inevitably bear a series of negative evaluation and public opinion pressure in the international community caused by Russia's war. Due to the illegality and aggression of Russia's war, the Russian government is generally viewed negatively by the international community. China, a key strategic ally of Russia, did not join the Western community in opposing the war and supporting economic sanctions against Russia, but opted for neutrality.

China's neutral attitude shows its firm opposition to war and its desire to help the two sides negotiate. However, with the rise of China, the influence of China threat theory is increasing in Western society. Both the media and politicians want to gain advantages by reporting one-sided news that conforms to the views of a large audience. Due to the fact that wars tend to encourage people to become more well-informed and read significantly more news [4]. And increase politicians' influence in society. Influenced by the previously mentioned China threat theory, politicians' comments on China tend to be negative. And the uninformed follow the example of opinion leaders, and it is often the elites' perception of events, rather than the occurrences themselves, that drive popular opinion [4]. So that the international public opinion on China, which had been improving due to China's outstanding achievements in fighting the COVID-19 in 2020, has been sharply lowered by the incident.

Europe is currently preoccupied with the difficulties caused by Russian President Vladimir V. Putin's invasion of Ukraine, including almost 4.6 million migrants. Numerous European countries have pledged a significant increase in military spending and readiness. Politicians in Berlin, Paris, as well as other capitals are already debating the extent to which their heightened awareness may extend to China and Russia.

"I think we are entering a new phase," Noah Barkin, an analyst for the Rhodium Group headquartered in Berlin who analyzes Chinese connections with Europe said in an interview. "The European stance on China has been hardening for the past five or six years," Barkin said. "But I think we are entering a new phase." "Europe is coming to the awareness that China may no longer be a partner, and that it may increasingly be perceived as a threat. This is a development that is taking place in Europe [5]."

From the above reports, it can be analyzed that western government officials and media have negative attitudes towards China, which may lead to a worse impression of China among foreign people. Pressure from public opinion has made other countries more wary of making China-related trade cooperation policies, even if those policies are significantly beneficial to bilateral economic development. This possibly leads to a huge obstacle to China's global economic strategy.

2.1.3 The impact on China's foreign infrastructure investment

The infrastructure China has invested in for OBOR could go up in flames.

The occurrence of Russo-Ukraine war and the increase of war intensity will result in an unstable geopolitical environment. A stable geopolitical and social environment is a necessary condition for China's "infrastructure mode" in the Belt and Road Initiative. Fig. 3, Fig.4 and Fig. 5 well explain the operation mode of the infrastructure mode and the influence of the stable geopolitical environment and social environment on the infrastructure mode.

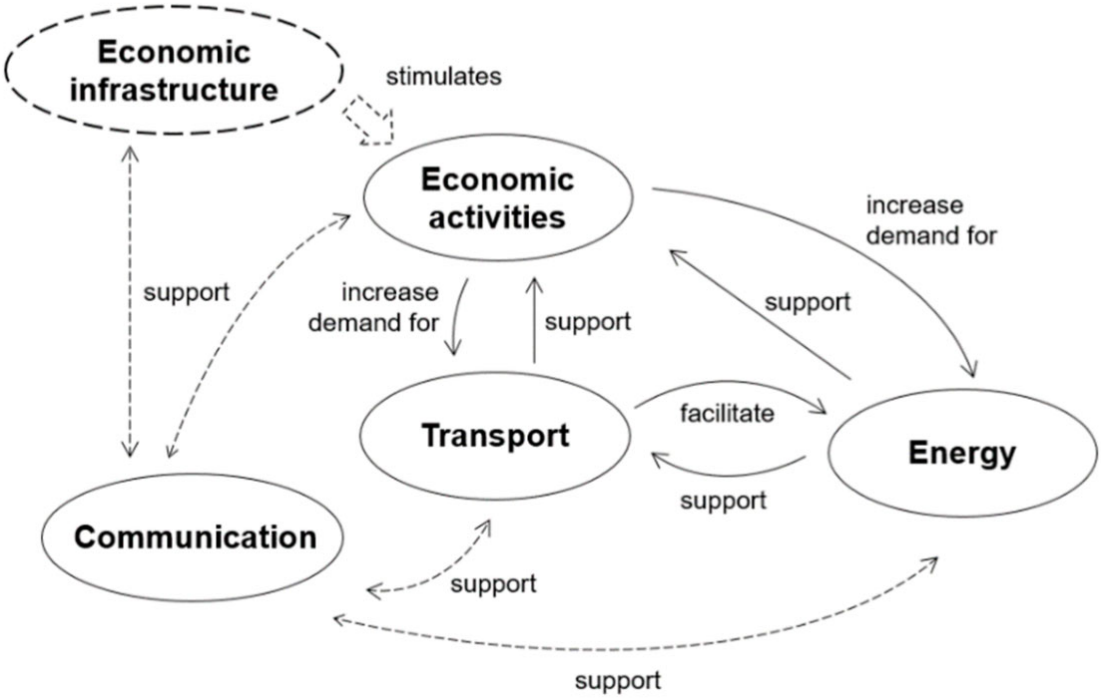


Fig. 3 Connections among the various BRI facilities. (Direct arrows represent causation, while dotted arrows represent interaction) [6]

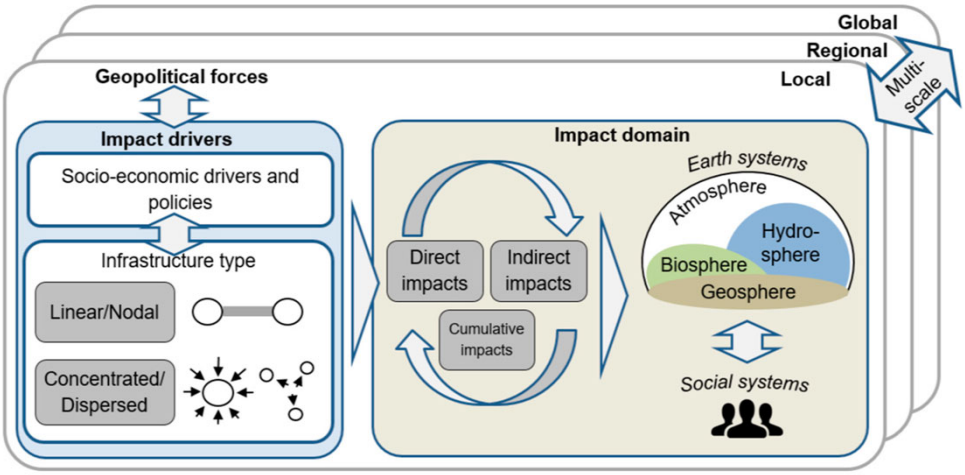


Fig. 4 Planned and implemented on a global scale to mitigate the effects of China's Belt and Road Initiative (BRI) on society, economy, and the environment [6]

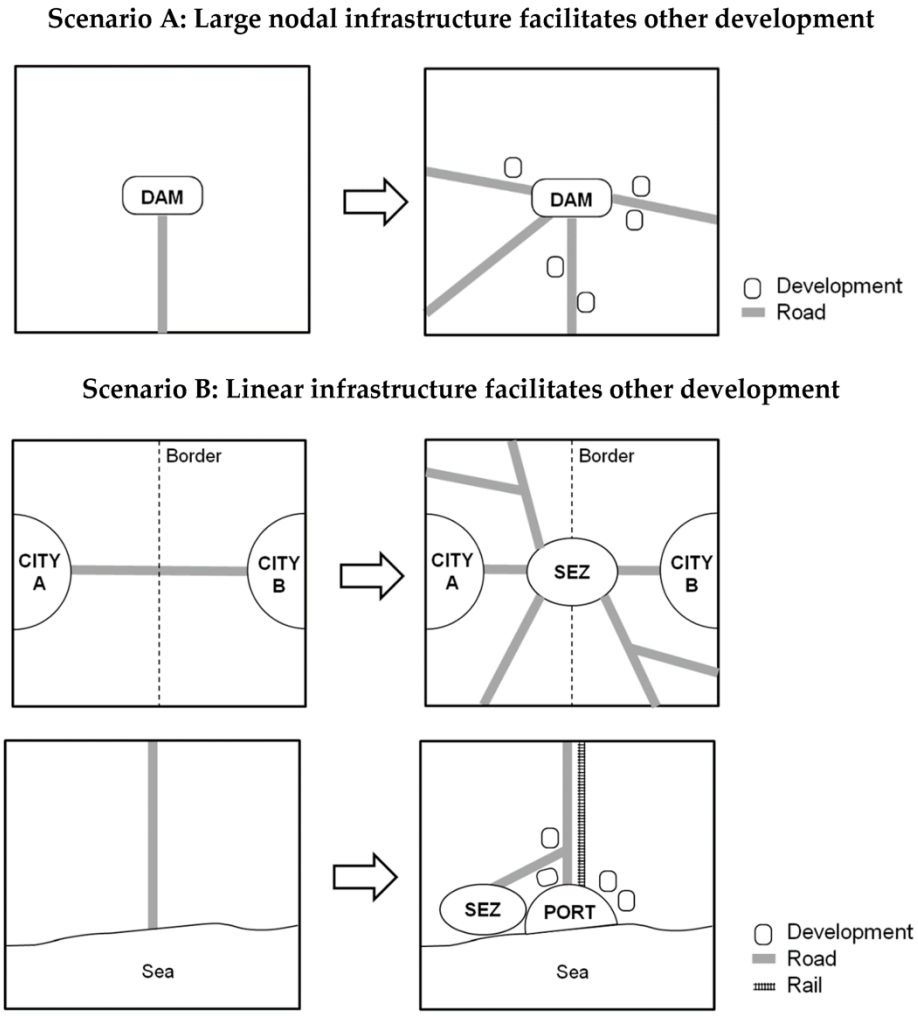


Fig. 5 Timeline illustrations of BRI infrastructure construction [6]

The infrastructure process can be interrupted or ended by instability in the social or geopolitical environment. For example, the Central route of the Belt and Road Initiative, CPEC, the strategic significance is enormous, as are the threats it faces. The difficulties surrounding CPEC are enormous and are just beginning to show. In 2019, the Baloch insurgency intensified, and they have publicly challenged not only Pakistan but even China. The gravity of the problem is recognized by both neighbors. A single event might halt the entire project, causing foreign investors to lose faith [7]. This will lead to ineffective and unprofitable investment by the Chinese side or local government side, bankrupting Chinese private investment companies, or creating a huge fiscal deficit for the Chinese government, which will exert a strong pressure on the Chinese economy along with the fiscal deficit caused by the COVID-19 pandemic at the same time. And cause the Chinese government to slow down or reduce the construction and support of the Belt and Road strategy. This will easily lead the participating partner countries to question the strategy because the short-term earnings are not as expected. As a result, China's global economic policies will come under more pressure both at domestic and abroad.

2.2 Political Impact

2.2.1 Influence on the Political Situation of Countries Participating in the Belt and Road Initiative

The Russia-Ukraine war has led to the rise of international tension and the rise of local protectionist and xenophobic forces in various countries, which seriously hinder the promotion of China's global economic strategy and overseas infrastructure model.

Before the Russo-Ukrainian war, the rise of far-right parties in Europe is a widespread phenomenon In the 21st century. The term "the new nationalism" has been made possible thanks to their common populism, emphasis on sovereignty, and policies that encourage a "national preference." A growing body of evidence suggests that those on the losing end of a new transnational cleavage are the primary catalysts for this surge in nationalism, which can be understood as a cultural backlash [8]. The Russia-Ukraine war has seriously affected the livelihood of European countries. The rise in energy and food prices, in particular, has led to a sharp rise in the cost of living for Europeans, whose wages have been ill-equipped to cope with the international fallout. So anti-war sentiment in Europe ran high. But European governments want the war to continue in order to drain Russia's power and reduce its military threat to the rest of Europe. This leaves the government out of touch with the people, who feel betrayed and cheated by a government that has taught them the righteousness of supporting Ukraine against Russia's invasion without explaining to them the economic pressures on society.

And people's sensitivity to war has led to the rise of social tension in various countries. An increase in social tension leads to a decline in support for forces or parties that advocate openness and multilateral cooperation. This will lead to the rise of far-right xenophobic forces that oppose openness and multilateral cooperation in favor of domestic companies or geopolitical interests.

Combine the above two factors, this has led to the rise of far-right, xenophobic parties that are closer to the masses in Europe， notably the victory of a far-right xenophobic party in Italy's general election in September.

Giorgia Meloni, a leader on the far right, has declared victory in Italy's election and is expected becoming the nation's first female prime minister.

It is largely predicted that Ms. Meloni will establish Italy's most conservative government since the Second World War.

Being the third largest economy in the EU, this will cause concern across the continent.

Ms. Meloni, however, promised after the vote that her Brothers of Italy party will "regulate for everybody" and would not betray the trust of the Italian people.

She thanked the Italian people for electing a right-wing administration led by the Brothers of Italy and told journalists in Rome, "Thank you Italy" while holding up a placard.

With her center-left opponent Enrico Letta as her closest competitor, she is projected to win roughly 26% of the vote. Mr. Letta told journalists on Monday that the win of the far right was a "bad day for Italy and Europe," but that his party would give a "powerful and intransigent opposition [9]."

In March of 2019, then-Italian Prime Minister Antonio Conti and Chinese President Xi Jinping met in Rome to formalize the Belt and Road Initiative through a memorandum of agreement. Only Italy of the G7 developed nations has signed on. But on September 23, 2022, Taiwan's Central News Agency interviewed Italian far-right party leader Paolo Meloni, who won the election. She expressed support for the ruling party in Taiwan and the Congress to adjust trade policies in response to the mainland's Taiwan policy to ensure that there will be no military conflict across the Taiwan Strait and to guarantee the security of Taiwan. This possible be seen as a challenge and hindrance to the development of China's One Belt One Road strategy by far-right xenophobic parties. In general, and not just in Italy, the push for China's global economic strategy will be resisted by these conservative parties.

2.2.2 Influence on Relations and Cooperation between China and European Countries

The Russia-Ukraine war will lead to the further decoupling of economic cooperation between Russia and European countries, which will make it difficult for China to use Russia as a springboard to strengthen economic ties between China and Europe

After the collapse of the Soviet Union, due to the infiltration of Western powers and Yushchenko's break of Ukraine's neutrality policy, the political and economic balance of Ukraine tilted toward the United States and Europe, so Ukraine has a close relationship with Europe. Until the Crimean crisis

in 2014, the special relationship (Geopolitics, economics, national identity, CIS, polity) between Russia and Ukraine served as a conduit for economic exchanges between China and Europe.

After the Crimean crisis, the relationship gradually became fragile, and finally broke down in 2022 during the Russia-Ukraine war. The war has brought relations between Russia and Ukraine and Ukraine's European Allies to a freezing point. Various economic projects, such as a gas pipeline along the Russian-Ukrainian border, were suspended or ended by the war. As a result, Russia's economic system is gradually decouped from European countries, which makes it difficult for China to enhance the economic influence of the Belt and Road on European countries by virtue of the close links between Russia and its neighboring countries and Europe.

In addition, the Russia-Ukraine war led to neighboring countries, especially the Central Asian countries, to deepen their economic ties with other countries (especially China) and remove Russia's influence in order to get rid of the negative influence of Russia. This is a serious threat to Russian interests in Central Asia. And it reinforces the conflicting interests between China and Russia in Central Asia since the collapse of the Soviet Union. Russia's top officials have said they fear the enormous Chinese initiative will reduce Russia's sway in Central Asia and the South Caucasus by bringing more of those regions closer to the People's Republic of China [10]. So this will lead to some negative changes in Russia's relations with China.

3. Dicussion

Different from previous studies, this paper only focuses on the analysis of the international relations of countries affected by the Russia-Ukraine War, but focuses more on the internal political and social impact of the Russia-Ukraine War on the countries participating in and through China's Belt and Road strategy. The influence of the Russia-Ukraine war on the help of the far-right forces and the negative impact of this force on the economic strategy of globalization are also analyzed. At the same time, it also analyzes the challenges faced by China's unique mode of infrastructure investment and development during the Russia-Ukraine war from the economic level. This obviously opens up more perspectives on the incident.

This paper is not too much in the economic level of the narrative, on the economic level of the analysis is a little thin. At the same time, because the Russia-Ukraine war was still going on, the situation of the war also changed over time. Therefore, the influence of the war is also unstable, and this paper is limited to the analysis of the current political situation, war situation and economic situation, unable to accurately predict the future impact and the trend of the situation. In addition, the current war situation and the situation at the beginning of the war have partially reversed, so the attitudes of different countries towards this event have also changed, which may lead to the outdated of some quoted data or articles.

4. Conclusion

Overall, the Russia-Ukraine war has brought a lot of negative effects on China's Belt and Road strategy. At the social level, the distrust and rejection of the Belt and Road strategy will be increased. It has increased the pressure of China on international public opinion and affected China's international discourse power to a certain extent. Domestic and foreign investors lost their trust and expectation on the strategic prospect of the Belt and Road Initiative, resulting in a large amount of capital outflow. Politically, the far-right conservatives in European countries gained power, and the cooperation agreements reached by China and European countries were seriously challenged. Therefore, the relationship between China and European countries is full of uncertainty, especially the connection between China and European market. China's Belt and Road strategy in the current list of impacts, the future development prospects appear to be broken and uncertain. This means that in the short term, China's plan to boost its sluggish economy through the "One Belt, One Road" strategy may be doomed. And that could continue to enhance China's economic and trade ties with

Russia. Decoupling the Russian market from Europe into the Chinese market to make up for some of the consequences of the current obstruction of the Belt and Road Initiative, and also to meet the industrial products and agricultural products that Russia lacks due to the European and American sanctions.

The obstacles to the overland Silk Road do not completely doom the OBOR idea. In the short term, the Belt and Road Initiative can be more oriented to maritime trade routes, especially to increase trade and diplomatic relations with Southeast Asian countries. This could sustain the impact of OBOR in the short term through a more resilient means of trade: maritime trade. At the same time, China should also take advantage of its great influence in the region, stabilize the chaotic situation in neighboring countries, and actively participate in regional affairs and political consultation. In particular, to stabilize Central and Western Asia, and to re-apply China's overseas infrastructure model to these regions, and to open up the Indian Ocean to the mouth of the initiative. In this way, the construction and development of western China will be promoted to solve the problems of unbalanced development, lack of available jobs and overcapacity in China.

References

[1] Zou Shinian: The Belt and Road Initiative has transformed China and the world, Economic Forecasting Department, State Information Center of China, http://www.sic.gov.cn/news/455/5078.htm, 16/11/2022

[2] The price of natural gas futures in New York, Yahoo finance, https://finance.yahoo.com/quote/NG=F?p=NG=F&.tsrc=fin-srch, 16/11/2022.

[3] Gartzke, E., & Li, Q. (2003). War, peace, and the invisible hand: Positive political externalities of economic globalization. International Studies Quarterly, 47(4), 561-586.

[4] Gershkoff, A., & Kushner, S. (2005). Shaping public opinion: The 9/11-Iraq connection in the Bush administration's rhetoric. Perspectives on Politics, 3(3), 525-537.

[5] KEITH BRADSHER, Faced With a Changed Europe, China Sticks to an Old Script, The New York Times, https://www.nytimes.com/2022/04/15/world/asia/china-europe-russia-ukraine.html?_ga=2.248404551.1910734214.1667424496-503635011.1667424496, 16/11/2022.

[6] Teo, H. C., Lechner, A. M., Walton, G. W., Chan, F. K. S., Cheshmehzangi, A., Tan-Mullins, M., ... & Campos-Arceiz, A. (2019). Environmental impacts of infrastructure development under the belt and road initiative. Environments, 6(6), 72.

[7] Khan, H. U. (2019). Regional security threats to CPEC: a strategic overview. Journal of the Research Society of Pakistan, 56(1), 181.

[8] Davis, L., & Deole, S. S. (2017). Immigration and the rise of far-right parties in Europe. ifo DICE Report, 15(4), 10-15.

[9] Rome, Paul Kirby, Giorgia Meloni: Italy's far-right wins election and vows to govern for all, BBC News, https://www.bbc.com/news/world-europe-63029909, 16/11/2022.

[10] Gabuev, A. (2016). Crouching bear, hidden dragon: “One Belt one Road” and Chinese-Russian jostling for power in Central Asia. Journal of Contemporary East Asia Studies, 5(2), 61-78