

Comparative Analysis of Infrastructure Diplomacy in South Asia: Assessing the Impact of China’s Belt and Road Initiative and Japan’s Free and Open Indo-Pacific Strategy

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Extended Abstract

China’s Belt and Road Initiative (BRI) and Japan’s Free and Open Indo-Pacific (FOIP) strategy are transformative infrastructure diplomacy frameworks reshaping regional stability, economic dependencies, and multilateral cohesion in South Asia. While BRI leverages economic integration to expand China’s influence, FOIP emphasizes rules-based, inclusive development aligned with democratic partners. This paper focuses on the impacts of these initiatives in South Asia, analyzing their effects on regional stability, economic dependencies, and governance.

The research first explores the research gap in existing literature. The authors [1,2] argue that a cooperative “great power bargain” is essential for maintaining stability in East Asia, where issues like nationalism, territorial disputes, and complex security alliances continue to pose significant challenges. Yet, despite this, there is limited research on how large-scale infrastructure initiatives like China’s BRI and Japan’s FOIP shape power-sharing and the balance of power across the wider Indo-Pacific. The authors [3] provide a useful framework on economic statecraft, showing how economic inducements serve geopolitical objectives; their ideas are expanded by the works in [4,5], who examine how BRI often creates dependencies in recipient countries, though with mixed results. The FOIP approach is less frequent compared with BRI’s more coercive economic methods, especially in Southeast Asia. Moreover, studies in [6,7] illustrate the competitive dynamics between China and Japan as they use economic levers to shape regional governance, yet there is little exploration of how BRI and FOIP interact in South Asia to either stabilize or escalate these tensions. Finally, the work reported in [8] highlights the importance of adaptive strategies in statecraft, though existing research does not deeply examine how the internal policy priorities of China and Japan affect BRI and FOIP’s effectiveness, particularly in setting governance standards across the region. This prospective study seeks to fill these gaps, offering insights into the impact of these initiatives on stability, economic dependencies, and multilateral cohesion in South Asia.

This study uses a multi-theoretical approach to analyze the impacts of China’s BRI and Japan’s FOIP. Economic Statecraft, as reported in [3], examines how economic pressures from BRI and FOIP affect states’ autonomy, capacity, and legitimacy, shaping their alignment. Knowledge for Statecraft, as reported in [8], guides a structured comparison across cases to highlight where China’s and Japan’s strategies converge or diverge. The Financial Statecraft of Emerging Powers [9] explores how BRI and FOIP’s economic tactics foster either dependency or autonomy in recipient nations. Finally, Hegemonic Stability Theory, as reported in [10], assesses how BRI and FOIP support or challenge regional hegemony, examining if they encourage cooperation or intensify competition within the Indo-Pacific. Together, these theories provide a comprehensive view of BRI and FOIP’s regional influence. Employing a mixed-methods approach, the study combines document analysis, comparative case studies, and expert interviews to examine the impacts of key infrastructure projects in countries like Bangladesh, Sri Lanka, and Nepal. Insights from policymakers and stakeholders provide a nuanced understanding of local perceptions, governance challenges, and the trade-offs involved in engaging with BRI and FOIP.

This research offers policy recommendations for South Asian countries to balance development with strategic autonomy, emphasizing the need for transparency, sustainability, and regional cooperation. By examining the strategic implications of infrastructure diplomacy, the study highlights pathways for fostering stability and empowering smaller states in South Asia to navigate competing external pressures.

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