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China's multi-trillion dollar Belt and Road Initiative (BRI) is the most ambitious and all-encompassing economic development project in the history of humanity. It aims to connect scores of Asian countries in a web of roads, high-speed rail, power lines, ports, pipelines, fiber-optic lines and other infrastructure with the goal of stimulating growth in the scores of developing countries in Asia, the Middle East and Europe. As such, it is poised to impact almost every region in which the United States has strategic interests. Yet, Washington has largely ignored the BRI, and in some cases it even took active measures to undermine it. According to a new report by Dr. Gal Luft, co-director of the Institute for the Analysis of Global Security ( $\underline{IAG}$ ),

this course of action needs to be revisited by the new administration.

"The sooner Washington begins to engage with the BRI, the sooner it can begin to leave its mark on it, to the benefit of the U.S. economy as well as that of two-thirds of humanity," Luft wrote. "Like it or not, China is currently offering a meaningful remedy to global economic stagnation and, as such, Beijing's program deserves serious consideration."

The IAGS report, titled " <u>It Takes a Road - China's One Belt One Road Initiative: An American</u> <u>Response to the New Silk Road</u>," provides detailed analysis of the BRI and its implications for U.S. foreign and economic policies. The report analyzes several potential responses by the U.S. arguing that the best course of action for the Trump Administration would be a selective by-in in which the U.S. will publicly embrace the overall BRI vision of regional connectivity and energy security but will only actively participate in cherry picked projects that correspond with its geopolitical rationale while staying away from those BRI elements that undermine its strategic interests such as projects that benefit Russia and Iran or stir acrimony in Southeast Asia.

More specifically the report offers ten concrete recommendations enabling the US to be an active participant in the effort to address Asia's infrastructure deficit and slowing growth while protecting U.S. vital interests in the region. It calls for the Trump Administration to adjust the government bureaucracy to be able to address a project of such magnitude, to establish mechanism of coordination between the U.S. and China on matters related to BRI, to carve out a role for the U.S. in stimulating Asia's development, to strengthen U.S. coordination with European and Asian allies and to use its leadership role in Multilateral Development Banks. It also calls for Washington to consider joining the newly established Asian Infrastructure Investment Bank (AIIB).

## Report Calls for Proactive US Response to China's Belt&Road Initiative

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