

Mock-8 Current Affairs

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Q2). India-Middle East-Europe Economic Corridor (IMEE-EC)

Also known as 'spices corridor', India-Middle East-Europe Economic Corridor, was an idea presented by Kingdom of Saudi Arabia and endorsed by United States (US) and its allies.

It is basically a trade corridor which will originate from India, moving through Middle East (ME) and finally enter into Europe. A traditional sea-route will be followed from India to ME whereas bullet train path will be followed from Kingdom of Saudi Arabia (KSA), Iraq, Syria, Jordan, Israel and further into Eastern Europe.

KSA will be the major investor in this corridor and will build ME part. European partners will establish the Europe segment and India with US and G7 will build Indian part.

Belt and Road Initiative (BRI)

Belt and Road Initiative (BRI) is a project by China. It was announced in 2013. It is the largest infrastructure project of 21st century, comprising of 6 corridors. It bears a cost of more than 1.3 trillion US dollars. It has multiple geo-economic, political and strategic objectives.

Project of 6 corridors

- China, Russia, Europe
- China, Azerbaijan, Georgia, Turkey, Europe
- China, Central Asia, Iran
- China, India, Bangladesh, Myanmar
- China, ASEAN
- CPEC

Potential of Spices Corridor

still not a reality, bears a strong potential for economic prosperity for the regions involved in this corridor. India, world's largest population in the world (statista, 2023), offers the biggest market for trade.

The project is very ambitious as it has the potential to link countries like Vietnam, Thailand, Myanmar and Bangladesh in future. For instance, Bangladesh has six railway exit points to India, and all could be utilized for sending goods to Europe via Mundra port. Since Spices Corridor involves different countries from different countries, it has the potential to integrate different cultural products between Asia, Middle East and Europe.

Potential of BRI

BRI holds massive potential, especially for China along with other countries it has linked with.

① Shorter Access to the market

Currently, trade route of China is very lengthy: East China Sea - South China Sea - Bay of Bengal - Arabian Sea - Persian Gulf and beyond. This is a long route. It takes 49 days for a China ship to go from China sea to England. Also, 36 days for oil vessel to reach China from Saudi Arabia.

On the other hand, it will take between 7-11 days on China-Europe corridor (BRI project). Distance will be reduced by 22,000 km. Similarly, it will take maximum of 11 days to reach KSA and ME using CPEC (BRI project).

② Alternative Trade Route System

BRI offers an alternative Trade route system, not only for China but for the rest of the world. China's dependency on its old lengthy route will decrease. Other Asian countries will be able to trade between themselves such as ASEAN and Central Asian countries as well as ME and Saudi Arabia. Developing another route system will also decrease US hegemony in the world trade and will foster China's geo-political and economic role.

③ From Geo-Economics to Geo-Politics

influencing political decision making after WWII, as US did by relocating its industries, establishing International monetary bodies like IMF, WB etc. China, through BRI, is also becoming largest investor, loan provider to these countries and also by being largest importer and exporter. Hence, China is becoming geo-politically very strong through its projects in BRI; increasing its geo-political penetration in ME.

④ Infrastructure Development

One of major potentials of BRI is that it can transform and improve the infrastructure development of the developing countries included in BRI. One of the examples include Pakistan, where majority of road as well as port infrastructure has improved due to BRI's pivotal project: CPEC.

Future of Spices Corridor

In IMEE-EC, India, Saudi Arabia, Germany, Japan and US are the countries having economic potential to make this project practical.

One of the major challenge for spices corridor is investment. Question arises who will bring the investment? Saudi Arabia, a trillion dollar economy, has already made

investments in other big projects like Neom city.

On the other hand, salient features are not clear whereas BRI is already active on ground.

Since IMEE-EC is a multi-national project, roles must be defined clearly and must be agreed upon by the respective countries. In order for spices corridor to flourish, big questions like who will be biggest investors? what will be the time frame for projects to be completed?, should be answered and objectives should be clearly laid.

Middle-East Conundrum

One of the biggest threat to IMEE-EC corridor is 'peace and stability in ME'. The on-going Israeli genocide in Gaza casts a dark shadow over this the future of spices corridor. For a trade project to thrive and flourish, peace and stability is the main component for that region. As long as Israeli aggression on Palestinians does not stop and end, possibility for IMEE-EC trade corridor to flourish is very rare.

Future of BRI

BRI is already a reality in the contemporary world unlike spices corridor. Features of different projects in BRI

are already well-defined and massive work has already been carried out in respective regions. For instance, China has already invested more than 20~~000~~ billion dollars in Pakistan in energy sector through BRI project: CPEC.

The geographical scale has expanded to more than 140 countries including in Africa, ME, South Asia and Latin America. By 2016, China was largest exporter to Africa.

BRI will keep expanding but will need to adapt in response to international criticism. The future will likely mean increasing competition between China's BRI and western connective strategies. But for Beijing, the ultimate objective is to promote its interests, increase its economic power and challenge or undermine US and West's hegemony geopolitically and geo-economically in the world.

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