On The Crossroads of Economy and Environment: Nepal and BRI

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Abstract

Belt and Road Initiative (BRI), has imploded the international regime with much speculation and expectation. Primarily an economic move, BRI has its roots in infrastructure building around the less developed parts of the world in an attempt to increase connectivity and collaboration for trade among and between these states with all of them connected to Beijing. While BRI promises massive economic returns through connectivity, the question of environmental sustainability hangs in a balance. The situation is graver still for a country like Nepal that has been struggling for politico-economic as well as social stability. The dilemma discussed here is not only unique to Nepal, but reverberates through many developing and economically challenged nations around the world. The complexity of the situation becomes apparent not only because of environmental threats that loom large over the country, owing to mega infrastructure projects, but the lack of political as well as economic measures that need to be in place in order to assuage and counter the eminent threats through proper steps. All this requires further elaboration on how the Nepalese infrastructure sector and the BRI development model promise to address environmental sustainability. Nepal’s already constrained economy hangs in the dilemma following its decision to join the initiative.

Keywords: environment security, economic development, dilemma, infrastructure growth, national priority
Introduction

It should not come as a shock for Nepal to prioritize economic growth above all. The proposed projects under Belt and Road Initiative led by China have been assessed to be able to give a thrust to the economic growth of the country to the desired effect. Those projects are also highly speculated to expose the country to various environmental threats, especially to biodiversity. There are no universal parameters underpinning Belt and Road Initiative to prevent environment catastrophe. The idea is to rather follow the regulations set by the host country (Ortolani, 2018). The problem with this idea lies in the under-capacity of national guidelines to accommodate the universal parameters required in such situations. With many experts arguing that Nepal’s most prized resources are biodiversity and water, Nepali policymakers definitely need to be alarmed and invest in studying the various aspects of the environment that could come under risk. Correspondingly, efficient negotiation needs to materialize with the Chinese firms involved so that the regulations that are devised to take care of the environment are properly followed.

As development specialists argue, the major threat resides in the country’s weak implementation measures and the ineffectiveness of the government in containing such environmental threats. Most importantly, the fascination of Nepal’s leaders with the post BRI economic picture of rapid growth webs their vision of the country from the likely environmental catastrophe. By adopting the neo-liberal economic process, which encompasses the concepts of Liberalization, Privatization and Globalization, especially after the end of the cold war, Nepal is placing its economy and economic development at the forefront. And, one of the primary elements of economic development is infrastructural growth.

Moreover, primarily assessed as a win-win opportunity by many, BRI’s huge focus on infrastructure development produces concerns for its environmental impacts. This holds true especially for countries that are already ranked high in vulnerability to climate change induced disasters owing to the lack of adaptation capability (Pew Research Center, 2006). Nepal is one such vulnerable country and this is what has fueled the debate of economy versus environment.

However, amidst all the economic promises, the nuances of sustainable development of infrastructure and environmental protection are a huge aspect of the initiative. This means that an assessment of the challenges that lie within is of much importance for a least developed country to actively deal with the issues of environmental sustainability. This also requires an
understanding as to how and why mechanisms for environment sustainability have worked better in economically well developed nations than the struggling ones, especially Nepal.

The following section of this paper contextualizes the efforts, promises, influences and politics of BRI in Nepal. It further elaborates on how the Nepalese infrastructure sector and the BRI development model promise to address environmental sustainability. It presents the reality of Nepal’s economic constraints pushing it towards the environment versus economy dilemma. This chapter also underlines the major vulnerability of the Nepalese environmental sector when exposed to mega infrastructure projects.

**BRI and Environment Sustainability**

Initiated in 2013 by Chinese President Xi Jinping, BRI envisages the improvement of the trading sector by linking 60 countries across Asia, Europe, Middle East and Africa through land and sea routes. The initiative focuses on economic development of China through increased connectivity and integration of the Belt and Road region (NDRC, 2015). The heart of the project lies in its infrastructure investment and development. The high priority given to connectivity and integration is expected to China an image of a responsible global leader shouldering the burden of developing the underdeveloped and developing economies. Such remodeling of the trading scenario by putting a higher emphasis on free, fairer and sustainable trading is also expected to initiate improvements in the domestic governance of the participating countries. This development strategy has been perceived to be economically beneficial for both China and other developing countries in Asia.

BRI is assessed by China as an opportunity to establish closer ‘economic ties’ with Western, Central, Southeast and South Asia via infrastructure development and enhanced connectivity. According to Woon (2017), The strategy would not only provide a huge opportunity for Chinese firms to tackle their industrial overcapacity, but also to revive the Chinese economy which would be on the verge of stagnation after the development of the country’s western region (p.4). The belt and road initiative also brings an opportunity for China to relocate its labor-intensive and low value-added manufacturing facilities overseas. As Zhu (2015) illustrates, China will also seize the opportunity to export its severe environmental crisis. He acknowledges how Chinese economy rests on the Chinese manufacturing industry which is the biggest contributor of environment pollution. Zhu suggests, that the relocation of Chinese manufacturing industries is highly likely. So too is their acceptance by BRI states as most of
them are among the most economically stressed. With Chinese pollution emitting industries finding a way into other developing economies, the pollution levels are not likely to go down but will definitely not be emitted from the Chinese territory.

The Chinese model of development thrived by prioritizing economy over environment at every turn. In an interview with *We Build Europe* on 11th July 2017, Karl Aiginger disclosed that, even today, sustainability of Chinese development is assessed through the impact it will have on the economy, rather than taking all the three dimensions of the impact-economic, environment as well as social-into consideration. Moreover, if the environment policy invested in any development project is assessed to yield less economic benefit, then such policies are downplayed without the consideration of the possible trade-offs. A minute examination of the National Development and Reform Commission in 2015 Vision and Action document for BRI portrays how environment sustainability is only limited to promotional campaigns. The document entails commitments to advance investment and cooperation in renewable and clean energies, including wind and solar power. At the same time, it also heavily focuses on increased cooperation in conventional or unsustainable energy sources, such as coal, oil and gas being the major ones.

After President Xi Jinping’s rise to power, China has experienced a dramatic improvement in its domestic policies concerning environment protection. The policies are guided by the concept of ‘An ecological civilization’ that entails a new development phase in the Chinese economy (Loh, 2017). Under this concept, Loh writes, the government has improved financing and investment policies giving special push to green finance. In the September G20 summit, the commitment was internalized and the world witnessed the G20 states support the agenda of ‘Green finance’. Christine Loh (2017) further stresses that the world’s largest emitter has significantly taken the responsibility to clean up the economy and go green. China has made immense efforts to accomplish the objectives, Buckley (2017) argues in a news report, which was published in The New York Times, titled ‘China's Role in Climate Change, and Possibly in Fighting’. It examines China’s pollution control policies. The set of pollution control policies is termed ‘An Ecological Civilization’, which has gained worthy applause for the efforts of the country to phase out the polluting industries, restore the ecosystem and reduce emission levels per GDP.

For the first time, China’s 13th Five Year Plan also set the stage for a greener economy and the establishment of a green financing system. However, Greenfield (2015) sees tensions rising as
Chinese investments look outward, with the initiation of the One Belt One Road strategy, in the backdrop of American retraction from the global forefront. BRI has already spelled out China’s efforts to enforce what it has promised in multiple international forums, “A Sustainable Infrastructure Development”. Zhu (2016), citing some AIIB approved projects that were given a green label, strengthens the argument of how China is incorporating green development into its projects internationally, as well as at home. He however, doubts about the universality of the standards imposed by China and approved by AIIB.

The Chinese infrastructure development guideline in 2017 showed that 30 countries had signed a communiqué on May 15 committing them to support BRI, which meant opposing trade protectionism of any kind and supporting Paris Agreement (Huang, 2017). The question is whether the step is significant enough to ensure that the upcoming projects will be all environment friendly. The critics, however, doubt this. Though the step was positive, it was mostly insignificant, argues Huang. Huang (2017) further apprehends,

“The countries in the group of thirty that signed the communiqué were mostly the ones that are under the economic sway of China. The countries do not play major role in international order like Fiji and only twenty countries out of the thirty are BRI linked countries.”

Most importantly it was only a statement and no binding policy had been discussed.

A few recent cases of project implementation under BRI in several countries has set the fear concerning environmental protection despite the various promises and commitments. One of the Chinese hydropower projects were shelved by Jakarta on the grounds that it lacked proper environmental impact studies, which resulted to communal conflicts. The locals protested against the government as the project posed threat to biodiversity. According to Basten Gokkon (2018), there are many cases of local protests and wide criticisms of Chinese hydropower projects on account of environmental safety recorded from countries like Laos, Vietnam and Cambodia. A WWF report titled, “China’s Belt and Road Initiative and its implications for Africa” has estimated that the Chinese initiative will directly impact 265 threatened species, including endangered tigers, giant pandas, gorillas, orangutans and saiga antelopes. The plans under the Belt and Road strategy have met with speculations from a myriad of scholars concerning the bigger role and responsibility being borne by China in the international arena and, therefore, view the grand design from the perspective of great possible power shift in world
politics.

China adopts a comprehensive model of economic development nationally, which means it takes not only infrastructure, but also environment sustainability and other aspects of sustainable development, into consideration for domestic infrastructure development projects. The modern set of environmental laws put forward by China recently has started to advocate for a cleaner and greener development, which provides a high-quality framework in order to achieve sustainable development. The new set of rules along with its successive ‘Five–year plans for National Economic and Social Development’ as well as the ‘Five-year Environmental Plans’ strongly uplift the environmental reputation of the country. Once highly critiqued for its environmental standards, China today is working to implement 43 new environment policies to integrate environment protection and economic growth under the same development modality (OECD, 2007, p.3). Previously seen as an insufficient and inept effort, China today has been dramatically reducing its ecological footprint and creating a way for a sustainable China.

With much potential for a new revolution in environment protection, the Belt and Road initiative has been criticized by many scholars as an attempt by China to protect its domestic environment. While cleaning its name off of the ‘pollution promoting countries list’ under the BRI framework, China seeks to export the polluting industries to developing states to sustain its dying economy, asserts Zhu Z. (2015). The tragedy of this situation can be turned around only if the countries under BRI refuse to be pawns and adopt strong measures to ensure environment protection along with their infrastructure development. Since, the Chinese model gives each developing country the liberty to work on their framework of environment protection under their own legal system, they should adapt environment policies effectively.

Both the OECD working paper as well as the UN scoping paper (2018) stress the importance of transparency in each government act to ensure environmental sustainability. The scoping paper further identifies Asia’s strengthened infrastructure investment as a means towards sustainability. Along with economic growth, it also provides spillover effects, which will prove more effective in addressing environmental as well as socio-economic concerns of the country. BRI’s commitment towards prioritizing SDGs (Sustainable Development Goal) works positively for countries engaging in infrastructure projects with China. The only impediment to the success of environment sustainability would be the country’s incapacity to assimilate its resources and build effective mechanisms especially of implementation and monitoring.
Among the criticisms, a WWF report (2016), titled “China’s Belt and Road Initiative and its implications for Africa”, illustrates the huge potential of BRI in being one of the biggest advocates for clean energy and sustainable environment (p.40). This can come true if countries are able to prioritize their environmental sustainability. For the economic development of Africa, environmental sustainability specifically needs to be strongly prioritized. It is with this in mind that many environment experts have been trying to make the stakeholders realize the same regarding Nepal.

The tragedy of Nepal: Economy comes first

The environment versus economy dilemma was first identified and dealt with during the 1972 UN conference, and the Brundtland report “Our Common Future” (1987). They raised the issue of compatibility between continuing development and protecting the environment at the same time in developing countries. According to Brundtland Commission (1987), the development process in developing countries comes at the cost of environmental damage. The dilemma is even starker for smaller states burdened with the choice between environment protection and economic development as economic growth normally comes only at the cost of a large depletion of resources and damage to the environment. According to Haque (1999), the developed world has its own stake in the degradation of environment. Their industrial and infrastructural development in the past was brought about through huge costs to the environment and, today, their unsustainable consumption and production patterns do the same (p.198).

Since the 1980s, when it began to be discussed, the academia has devoted itself to dissect the conflict and produced literature both in support of the claims made in the report and denying that development and environment protection are incompatible at all. As illustrated by Beckerman (1992), “the destruction would amount to nothing and have no severe impact in environment” (p. 485). However, almost three decades later, humanity is having to deal with the adverse effects of the destruction, with temperatures rising from approximately 0.15 to 0.20 degrees every decade. Denchak (2017) demonstrates that 2000 to 2009 was marked as the hottest decade and warns that world temperature is set to rise by two degrees in another 30 years at the same rate of emission. Such is the result of anthropogenic climate change emanating from development processes.
The de-escalation of climate change is rooted in the principle of sustainable development introduced by the Brundtland report in 1987. To achieve the balance between environment protection and economic development, it is imperative to follow the environmental standards and perimeters to contain environmental damage in the process of development. However, Li (2008) says that the shaky political atmosphere and the constraint of technology, resources and the economy faced by small states, the implementation of such strategies falls short.

In the light of such constraints, it is not entirely inconceivable that the developing world will first secure its economic growth and only then prioritize environmental protection, but not both at the same time. According to Haque (1999), in doing so, chances are that the already vulnerable developing countries will be pushed further into the abyss of environmental crises before they can develop their adaptation capability. While the west has started to change its viewpoint on the economy versus environment debate, calling it a myth, the small and resource constrained states like Nepal still face the dilemma owing to their inadequacies in balancing them, even though development need not be constrained by the environmental challenges. Haque (1999) underlines the vulnerability of developing countries regarding environment policy.

“The global concern towards sustainable environment policies, following the rising threat of climate change, [is] reflected in policy [and] academic research as countries have come together to regulate [their] investment behavior towards attaining more sustainability. But, this is true only in the case of [the] global north. The global south is in fact reeling under the environmental vulnerability crisis more than developed regions and its neo-liberal regime that by definition adopts pro-market policies, which means the lack of proper standards for infrastructure investment making it prone to the drastic effects of [the] environmental crisis” (pp. 204-205).

Therefore, the policy decisions of a country to prioritize economic benefit can, as a by-product, end up ignoring environmental security. Inept policies and standards further disorient investment from other developed nations, Stern Business School (2016) in their book, point out that the investment plans, too, suffer from weak governance and ill functioning administrative as well as legal systems in the developing countries. The developed nations refrain from investing in countries where governance gaps exist as they are considered high risks. Before investing in any such country, they run a series of environment and social management projects.
In this backdrop, the rise of China as the largest foreign investor under its grand BRI strategy looks to be a better option for developing nations. When closely observed by Stern Business School, the investment pattern of China reveals its major funding going towards mining and infrastructure projects. The book also captures how another major inconvenience to environment sustainability arises because of the Chinese position to follow the laws and regulations of the host country. The huge gaps in governance and weak environmental standards in the developing countries, thus, go unchecked under Chinese investment, unlike other major foreign investments. China’s position on infrastructure investment, along Belt and Road Initiative, puts the global environment at huge risk through its investment pattern.

For countries that cannot afford green technology, coal or unclean power sources have always remained the best option. People often tend to put basic necessities first before environment sustainability. This is the prime reason that there is a huge divide among the developed north and the developing south regarding environmental standards. Since Chinese projects are determined by the investment opportunities and environmental parameters in the host countries, Hao (2017) declares that the Chinese investment design has never really helped countries take environment issues seriously. While many other BRI countries still have the environment as secondary priority, Hao says, “how local voices in countries like Philippines have opposed Chinese non-green investment on account of them being unsustainable and harmful to the environment.” The following quotation from the World Commission on Environment and Development captures the ambiguous linkage between economic development and environmental sustainability:

“We have in the past been concerned about the impacts of economic growth upon the environment. We are now forced to concern ourselves with the impacts of ecological stress upon our economic prospects. We have in the more recent past been forced to face up to a sharp increase in economic interdependence among nations. Ecology and economy are becoming ever more interwoven – locally, regionally, nationally, and globally – into a seamless net of causes and effects.” (Lechner & Boli, 2011, p.434)

Since Asian economies are at the top among those facing climate vulnerability risk, they must be more careful about the decisions they make regarding any investment project that poses a threat to their already degrading environment. Where their top priority should have been a sustainable environmental policy, Asian economies, especially the developing ones, have
economic development in that top slot. Pew Global Survey 2006 revealed that public awareness regarding climate change in developing nations was half of that in developed nations. According to Pew Research Center (2006), countries like Pakistan and Indonesia had 12 and 35 per cent awareness respectively. To support this data, Kim (2011), argues that the least developing Asian countries will not come up with stronger environmental standards or sustainable parameters for infrastructure development in the near future (p. 330). Without any stern environmental standards, those that are not only good in policy papers but also strong in implementation, least developing Asian countries could drown in insurmountable environmental crises. Thus, priority accorded to the environment in national policy varies according to the status of development.

A developed economy is often seen to adhere to climate related policies out of their strong sense of awareness or as a spillover effect of a strong economy. Environment issues are given unrestricted attention because their social movements exert a restraining influence on government and corporations. In developing countries, however, the agenda remains significantly modest. Carvalho (2012) precisely captures where environmental issues stand in the priority chart of developing countries, “Environmental issues have to compete for policy space with other pressing concerns in most developing country agendas, often being subject to displacement by issues that assume a greater priority for the nation” (p.24). Hence, the fact that environmental issues are considered secondary dictates how urgent it is to dissect the policy space to make it more accommodative to adopt the issue as a national priority.

A country’s political and economic orientation also plays a key role in determining national priorities. Whether Nepal is a neo-liberal economy is a question soliciting multiple, possibly contradicting, opinions depending on who answers. A common view is: Though the country has not entirely adopted neoliberal values or criteria to be termed a neoliberal economy, Nepal does possess some key characteristics in its economic behavior that are vital to a neoliberal economy. Contesting views can be expected when we discuss Nepal as a neo-liberal economy as the term itself covers a broad range of political and economic dichotomy.

Although the neoliberal economic order has not thrust the country into economic prosperity yet, Budhathoki (2016) points out that the few characteristics of a neoliberal regime has had its effects on the Nepalese economy as well as its ecology. This is in reference to the developmental projects moved forward by the neoliberal aid regime after Second World War.
According to Narayan Khadka’s (1988) analysis, regarding the seventh five-year plan, the emergence of infrastructure as a priority sector can be traced to the foreign aid regime. He says that the prior commitment of foreign aid that Nepal received for ‘basic needs’ changed to infrastructure development aimed at supporting its infant industries and improve hydro-electrical capacity of the country (p. 557). On a similar note, Guthman (1997) states that contradictory to the principles of environmentalism, the large-scale infrastructure projects were ecologically inconvenient (p.52). He says that even when we leave out other impacts on politics, economy, culture and society, the economic order has not been very kind to the environment. Consensus is emerging among critics that even if the neoliberal economic model comes bearing fruits in Nepal through BRI, there will be a heavy price to pay in terms of the ecological risks. In a similar vein, Mary Des Chene (2014) rebuts former Prime Minister Dr. Baburam Bhattarai’s professed faith in the neoliberal economic model and warns him of massive ecological destruction under the model. Hence, it is important to adapt the proper mechanism which ensures environment sustainability along with infrastructure development.

BRI has been described as more of a commercial rather than geo-political initiative. Honghui & Gong (2017), in a UNDP Scoping paper published by China Center for International Economic Exchanges, describe how the success of BRI would mean more sustained improvements not only in the economy but also in the society and environment (p12). While this is yet to be tested, the fact is that mega infrastructure projects can mean a huge risk to social and environmental sustainability (p11) as it depends on how each country steers the BRI projects. The report says that neoliberal economy’s characteristic feature of environment conservation, “pollute today and clean tomorrow”, might mean a graver environmental threat to emerging developing economies. The scoping paper points out that the emerging economies are already neck deep in environmental threats, including suffering natural calamities and bio-diversity loss. Such countries may not have the option to follow in the footsteps of their more developed counterparts. The paper insists that such economies should take a major step in policy coordination and formulation to avoid any untoward trajectories. This should not be difficult as the BRI framework itself paves the way for realizing sustainable development goals.

One of the most important measures in making sure that the developing economies can simultaneously afford environment protection and infrastructure development is technology transfer from developed nations to developing nations without any disincentive barrier. Hovarth (2017) shows how development aid can be transferred to cost-effectively purchase rights for the technologies. The developed nations should provide such aid on a concessional basis (p.19).
While there is a lot of critical literature available regarding BRI projects and their environmental safety, there are many that also foresee the initiative as a champion in green development (World Wildlife Fund, 2016). Such green development can only materialise if the Nepali government is adamant about ensuring environment protection just as it works hard to make the projects bear the promised infrastructural fruits. Sustainable development can be achieved if Nepal can successfully negotiate with China regarding the transfer of green technologies.

**BRI and Nepal’s hope of a sustained economy**

Nepal’s approval of the initiative has shown that it has faith in the achievement of high economic growth from the projects under it. China’s National Development and Reform Commission (2015) Vision and Action document for OBOR (One Belt One Road) demonstrates how developing countries can develop their economy through strong infrastructure and how China can enlarge its exports volume through the betterment of the economic situation of developing economies. However, a minute examination the same document also illustrates how environment sustainability could be pushed to the backburner if participating countries are not geared towards it. Despite commitments to advance investment and cooperation in renewable and clean energies, there is also heavy focus on increased cooperation in conventional or unsustainable energy sources coal, oil and gas. This could also mean that the commitment to infrastructure development is strong while that for energy sustainability wobbly.

Michele Ruta (2018) says that Belt and Road Initiative can be a tremendous opportunity for countries to tap into its economic benefits and warns about the threats lurking in the background. Besides debt trap risks, small states face potential environmental risks associated with any large infrastructure project, especially for countries that are already in the vulnerability list and have weak environment governance, such as Nepal.

This question is posed by multiple assessments on vulnerable states: “Why would these states fall prey to environmental catastrophe followed by the unmanaged infrastructure development and not strengthen the environment protection mechanisms?” Their socio-economic constraints prevent the government from engaging people on the environmental or ecological issue, even when the country is facing various environmental crises. This is because the priority of the government, as well as the society, resides on economic and infrastructure development. In such a scenario, one may note a paradigm shift from a planned and closed economy to a
globalized economy.

Nepal’s quest to move up from its least developed status has been constrained by its economic underperformance. However, the geopolitical location of the country that puts it both literally and figuratively in the middle of two rising Asian giants, India and China. Both are vying to exert influence over the landlocked state for strategic gains (Kiik, 2016), which is also often considered to be one of the constraints. Hence, its unique geopolitical location, weak governance and idealist foreign policy (Dixit, 2017) puts Nepal in a loop wherein it is unable to channel the influence of its neighbors, especially the southern one. Its own national interests are sometimes trumped by its neighbor’s strategic gains (Rose, 2014). It is very difficult for the country to shake off the constraints posed by geo-politics.

The country has wholeheartedly welcomed Belt and Road Initiative (BRI) by signing a Memorandum of Understanding on May 12, 2017. This gives a hope of rebalancing Nepal’s political resources and interests as well as gaining a strong economic footing among its neighbors. BRI provides the country with an opportunity to free the country from the stronghold of dependency with its southern neighbor and focus its economic energy on the northern neighbor- the classic strategy for survival. With its infrastructure development in disarray and the massive weight of unmanaged urbanization, BRI shows the prospect of economic growth in the country through the infrastructure projects and the huge funding required for that. And, this is expected to give Nepal the economic resilience it needs.

The UN scoping paper (2018), mentioned earlier, suggests aligning environmental sustainability and initial development and design of BRI projects as the most important part of sustainable development. Nepal does have well-polished policies in place to abide by the guideline. The environmental impact assessment required for any project incorporates national as well as international guidelines. Hence, the only thing it lacks is proper implementation and monitoring. According to Dossiani (2017), “strengthening the country’s resources to avoid negative effects on environment also means guiding Chinese investment on the path of sustainability”. Since the Chinese investment can run either path, it can be molded to ensure maximum environment sustainability along with infrastructure development.

While the government seems satisfied with its national policy requiring Initial Environmental Examinations/Environment Impact Assessment, experts of infrastructure development and
environment protection insist that a more integrative environment mechanism should be applied to ensure the loopholes of the national policies be covered. Expert have called for pre project risk assessments by Nepal with every project proposed. A complete analysis of the environmental threats pertaining to each proposed project under each ministry- a promise made by the MoU signed between the two countries on May 2017 on ensuring environmental sustainability- has not materialized yet.

The MoU wants green finance and corporate social responsibility to play an important role by addressing environmental protection, resource conservation and climate change. However, it is unclear as to how the government is going to make sure that the BRI projects acquire green financing. All this points towards the lead role that the government must play in BRI implementation. In other words, it must acquire green financing by effectively negotiating for green loans, green development funds, green insurance etc. and innovate other green financial tools. Negotiations for grants and concessional loans should also facilitate accommodating proper environment protection measures.

**Conclusion**

For a small state that for decades has been in the backwaters of economic development and environmental degradation, to be suddenly faced with the prospect of being able to make that leap of faith for prosperity is a momentous change indeed. This is exactly what happened with the signing of the BRI MoU with China. Instead of fretting about dilemmas over whether to choose economic growth or environmental sustainability, the country should be able to manage both of those issues in parallel. There is technology available to make that happen and BRI allows room for that. All this points towards the importance of government capacity to successfully handle the complications thus arising. This means that the political and social systems too must commit themselves in bringing out these massive changes in national life, despite the geo-political challenges. Only then, will the national interest have been served well.

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