We negate, Resolved: The European Union should join the Belt and Road Initiative.

To begin, we observe that the EU would keep the Belt and Road Initiative, or BRI for short, afloat.

A report by the Research Center of China this year quantifies: the project [is] running out of money...even with [current] capital...the BRI faces a [$500 billion] funding gap [annually].

The EU must join the BRI to save the sinking ship. Herrero at Bruegel writes in 2017: The key source of co-finance would...be Europe. The [EU] has its own grand plan for the financing of infrastructure – namely the Juncker Plan, which could serve as a basis to identify joint projects of interest....

With this, our first contention concerns A Developing Debt Disaster.

BRI projects only help developed, well-off nations. A report by Moody Analytics finds this year that developing countries would serve as a way-station or stopping point for trade moving from rich regions to other rich regions, rather than being a direct participant in the movement of goods.

As a result, they write that Developing Nations shouldn't expect any economic benefit from the projects, as the trade is just flowing through, not originating from, the developing host countries.

The host country is forced to take on large amounts of debt. Mihir Sharma of Bloomberg in 2019 confirms that because of the BRI, low income countries are seeing their debt levels skyrocket, on path to reach the 1980s debt crisis levels.

Debt is dangerous for developing nations. Moody Analytics finds that the debt undermines spending on other areas of the economy and hurts growth prospects in the long term.

Because of this tradeoff, Taha at the University of Hall in 2018 confirms that a 1% increase in debt increases poverty by .35%.

History proves, as the last time developing nations neared a debt crisis, the Jubilee Campaign reported that nearly two hundred million people were pushed into poverty in the developing world.

Our second contention concerns Climate Change.

The world is on the verge of a green revolution. A recent report by the UBS found: the cost of energy renewables [will be] near to zero by 2030…[and] renewables [will] be cheaper than [all] energy sources.

However, the EU joining and keeping the BRI afloat would reverse this clean energy trend in two ways. The first is Entering the Arctic.

China [wants to] build a “Polar Silk Road”' with...BRI partners in order to ‘facilitate...economic...development of the Arctic’.

However, the BRI has not expanded enough to do so. Samofalova of Yandex News reports: Despite all the prospects of the Northern Sea Route, the development of freight traffic is proceeding [slowly]...However, with due attention, [and] finances...such a task is [realistic].

EU membership would ensure development. Titova of AP News explains this year: Arctic nations [want]…new opportunities for..new shipping lanes [through the BRI].

Unfortunately, shipping hurts the environment. Corbett of the University of Delaware warns: that growing Arctic ship traffic will bring with it air pollution [that will] accelerate climate change. Ships operating in...the Arctic use...diesel engines that release black carbon into... the [Arctic]. [This] shipping [will] increase the global warming......by [up to] 78 percent.

The second is by locking in the use of dirty energy.

Gary Sands of The SCMP writes this June: [Chinese] coal companies are looking overseas for profits, bringing promises of [BRI] funding to lesser-developed countries [by building] coal power plants. [For example, 1,600 private Chinese coal plants are planned or under construction through the BRI.]

Chinese companies will never stick to clean energy. Saha of The National Interest explains: [China] must keep...coal manufacturers afloat because [they] are a solution for excess capacity [and] supply [millions of] jobs…projects backed by [the BRI]...will [always] produce more coal power than clean energy...

When countries are flooded with cheap coal, it becomes permanent. Saha explains: Because [dirty energy] is so expensive to build, [it] is financed over decades on long term contracts...By locking in that demand...these...investments [crowd] out competition [for other energy sources].

Overall, Simon Zadek of The Brookings Institute concludes: China’s...new [BRI] infrastructure will be a major contributor to global carbon emissions over the coming decades, ...failure to rein in the growth of carbon emissions by these countries [will cause]...3 degrees of warming.

The impact is damaging the environment.

Adam Aton of Scientific American quantifies: Each degree celsius increase of warming will decrease...food yields 7.4 percent.

Sean Gilbert for Boston University concludes: An additional 100 million people will live in poverty due to climate change by 2030…[only]... investments in low-carbon infrastructure...can bring... long-term poverty reduction.

In the interest of stopping global problems, we are proud to negate.

China reformed

1. **China still at high interest rates, w/o China it would be better**
2. **Doesn't take away the fact that debt still exists- countries pay the bill without economic gains**
3. **No reason to reform- its own economy comes first**

https://www.ifw-kiel.de/fileadmin/Dateiverwaltung/IfW-Publications/Christoph_Trebesch/KWP_2132.pdf-
For China, we use the debt stock and debt servicing estimates constructed from loan-level data (see Section 2.2) to derive both total and hidden interest and amortization flows. It is evident that the rebound [increase] in external debt levels in Figure 17 above has been accompanied by a more than proportional increase in debt service payment in Figure 18. Figure 18. "Hidden" debt service payments to China Notes: The black line shows median external, public and private, debt service payments to GDP according to the World Banks' International Debt Statistics for different country groups (interest payments plus principal). On top of this, we add median, upper quartile and upper decile, hidden debt service payments to China (red shaded areas). Estimates of hidden debt service are based on loan-level and creditor-level data (see Appendix I). The main explanation for the over-proportional increase in debt servicing costs is that China tends to lend at market terms, with interest rates that are significantly higher than those paid to the other main creditors, in particular compared to the low, concessionary rates on World Bank loans or on bilateral loans by OECD governments. In addition, the maturity and grace periods of Chinese loans tend to be shorter than those on the remainder of the debt, which increases annual debt service amounts (see Section 2.4). 28 In sum, despite benign global conditions and record-low US and other advanced economy interest rates, debt service payments by low-income and emerging market countries have been on the rise, as debt stocks climbed. A subgroup of low-income countries is close to reaching the pre-HIPC levels, with Chinese lending being one of the main drivers.

EU Reform

1. **Incentive**
2. **More countries less stuff**

https://blog.independent.org/2019/07/18/chinas-belt-and-road-initiative-boon-for-growth-or-threat-to-civil-liberties/?fbclid=IwAR1hik3cRGEs7jAVzXtNLIm6BJwLneWhQzD982CZ-sj5YcMvByVuEzTRnx0

The Chinese lending practices stand in contrast to the United State government's Marshall Plan, which financed reconstruction in Western Europe after World War II almost exclusively through grants, rather than loans, which must be repaid with interest. (This isn't to say that the Marshall Plan was the best alternative for post-war development—that's a different issue.) As more countries (particularly in Europe) join the BRI, it's unlikely that China's lending practices will get reformed. The BRI was born as a project with unilateral Chinese control and generally lacks transparency, so it's not a stretch to assume that new European and Asian partners will also be subject to debt traps.

China forgave

1. **Renogitated- pay way more in the future**
2. **Debt forgiving not true-- giving more loans**
3. **Our argument is true- Sharma says going into debt crisis**

Although the most common renegotiation outcome, explicit write-offs of debts usually involve very limited amounts. Besides the case in Cuba, where China wrote off between USD5.0 and USD 5.8bn of debt forgiveness cases range from USD5mn (Vanuatu) to USD160mn (Sudan) and usually represent a mere fraction of the total amount due to China. For Sudan for example, the forgiven USD160mn in 2017 represented only 2.5% of the country's estimated USD6.5bn owed to China, according to data made available by Johns Hopkins, China Africa Research Initiative.[2] In addition, most of these debt forgiveness cases were accompanied by additional lending in significant volumes. For example, when Beijing wrote off USD7mn of Botswana's debt at the Forum on China-Africa Cooperation last year, Chinese leaders allegedly offered as much as USD1bn in new infrastructure financing to the country. This means that cases of forgiveness rarely serve to reduce a country's indebtedness to China.

Econ growth solves

1. **Moody's frontline**
2. **Dev world debt crisis short circuits**
3. **Investors wont go in cause its bad**

1980s Different

1. **No- twins**

https://www.ifw-kiel.de/fileadmin/Dateiverwaltung/IfW-Publications/Christoph_Trebesch/KWP_2132.pdf-

6 It is stunning that almost all of these characteristics apply to the ongoing Chinese overseas lending boom as well. Many of the recipients are the very same countries, lending is again bank-based rather than bond-based, the loans are issued in USD at market terms, and a lack of data and oversight is a major problem. The two lending booms can largely be seen as "twins".

Austerity not happen

1. **No**

External debt affects poverty not only through its negative impact on public investment and income growth but also through high debt service's crowding out of governments' social spending. High debt service directly reduces government budgetary allocations on health, education, social safety nets, and water and sanitation, in part because governments find it politically easier to cut back spending in such sectors because the poor are not usually organized to have a voice in such decisions.