

EE375

A TRILLION-DOLLAR INVESTMENT

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Problems and Causes of *Belt and Road Initiative(BRI)*

China has proposed a project called Belt and Road Initiative(BRI). The project is simply about building a dam across the globe. This project is not just a million or 2 million project, but it is a trillion-dollar project. This project could increase global trade by 6.2 percent. This means that it could increase the GDP of many countries. However, There's a downside to this project. If we look at macroeconomics, we might not be able to track the downside. But if we look at microeconomics, we will surely find consequences, especially to the Cambodian's Mekong River Basin.

Belt and Road initiative proposes some serious risks. Many Cambodians that rely on the Mekong river for their income have also been hugely affected. As the project is about building a huge wall across the globe, this can harm many ocean species. For instance, fish. Executing this plan will prevent the nature of fish and eventually stop them from reproduction. Since the fish now provide a lower yield, Millions of people on the Mekong river have been struggling financially. Another problem this dam created is that it also creates calamity(flood). People need to resettle somewhere else since the soil is not fertilized as before. Although they get compensated for their losses(6,000USD), the money they received will never match with what they lost(ancient object). You might be asking, "How come no one protests?". The answer is that people have protested and they have been threatened by the Cambodian government official. This lead to a bigger social issue: Human rights. People don't have the right to speak for themselves. They even got forced to leave their homeland when the land flooded due to the dam. The government official and companies that are involved in this project should not ignore those who got affect by this project and should give them a right and ethical amount of compensation.

ECONOMIC INSIGHT

Increase in Global trade/income = many people have suffered from this project

POSSIBLE SOLUTION

The government official should give a appropriate compensation to those who got affected by this project

