



# The Emerging Geopolitics of Infrastructure Competition

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## Introduction

When President Biden announced the Build Back Better World initiative at the G7 meeting in Cornwall, UK, in 2021 (later to be rebranded as the Partnership for Global Infrastructure Investment in 2022), it signaled a coming decade of infrastructure geopolitics. In many respects the move was a clear response to China's Belt and Road Initiative (BRI)—which, since it was launched a decade ago in 2013, has put infrastructure at the heart of China's own geopolitical grand strategy.

As a result of these strategic moves, we are entering into an era in which the success or failure of states with ambitions of international leadership will be determined, in part, by their ability to shape transnational infrastructures and the cities that they connect around the world. Several trends have converged in recent years to produce this focus on the relationship between infrastructure, urban life, and international competition. Three stand out.

The first is the increasing fragility of the form of free market globalization that characterized the last four decades—and, indeed, gave us the world of interconnected global cities that we have come to take for granted. This was a world shaped, and, indeed, made possible, by the liberal international system underpinned by US leadership. This leadership has increasingly come into question at home and is being challenged abroad.

The second trend is the rise of China, and its ambitions to reshape the international environment in which it rises, bringing in its wake alternative values, models, and leadership ambitions, and, increasingly, the power to transmit them internationally. Infrastructure has been at the core of China's increasingly confident and outward-looking foreign policy, with the hugely ambitious BRI its signature expression.

The third trend is the increasingly alarming impact of climate change, and the pressing need for international leadership in the transition to more sustainable relationships with the natural world. This converges with the first two trends in generating what we might call the new geopolitics of net-zero. It is also necessarily a question of infrastructural geopolitics.

These geopolitical questions are also entwined with other pressing issues: the continuing breakneck speed of global urban growth; the global infrastructure investment "gap" needed to connect peoples across the developing world; the accelerating competition to build digital architectures, including smart cities driven by the application of big data and artificial intelligence; competition over scarce resources—which are needed to drive both energy transitions and the continuing digital transformation; and the continuing questions over the future of the global economy and the nature and extent of its connectivity, as China and the United States talk of decoupling their economies.

As major geopolitical powers such as the United States, the European Union, and China seek to come to terms with these trends, we appear to be leaving behind the last four decades of US-led globalization and entering into a new period with very different characteristics. This will be a period of infrastructural geopolitics, in which the leadership and vision of great powers, each with differing political, economic, and societal models, will determine how the 21st century will take shape, which states, and their allies will thrive, and which will falter.

It will also be an era in which the connection between urban life and geopolitics will manifest itself once again—as China seeks to shape cities around the world in ways that may come to look very different to the urban forms that have emerged over the last four decades of neoliberal globalization.

This essay is part of the Chicago Council on Global Affairs' [Cities, Infrastructure, and Geopolitics Project](#), and draws upon insights from the project contributors. It places the individual contributions into a broad geopolitical context, and outlines some of the ongoing questions that will help to define the next decade of global affairs.

## The Retreat of Globalization

In retrospect, the 2008 financial crisis has begun to look like a watershed moment—a hinge between two geopolitical eras.

The post-Cold War period was characterized by dynamics of increasing integration of the global economy, as many post-Soviet and former “third world” states were brought into its remit, and free market capitalism expanded without an ideological opponent. If some of the economic changes had their roots back in the 1970s and the restructuring of the post-World War II Bretton Woods system, it was the “unipolar moment” of the 1990s that represented the apogee of the global free market.

This moment was also one of “global city” formation, as major cities around the world responded to the unleashing of global capital flows and took advantage of the new technologies of digital communications to build durable globe-spanning networks. Global cities became the command-and-control centers of a new model for the world market, housing the headquarters of major firms who would control dispersed networks of production and exchange.

Cities were empowered by this moment. (Many of the subsequent developments, such as, for example, the increasing importance of cities in the work of international organizations, or as international actors in their own right, have been tracked by the work of the Chicago Council on Global Affairs’ Center on Global Cities.)

When we consider the rise of China, and the impact that its growing influence on global infrastructure development and on urban life will have, it also shines a light on the connection between infrastructure, cities, and geopolitics that was central to US power in the world over the last four decades.

This is a connection not always made—and yet a historical configuration of US geopolitical power was necessary to create the relatively stable liberal world market in which global cities have thrived, and this connection between geopolitics, cities, and infrastructure will also be an important feature of the new and emerging geopolitical moment that succeeds it.

For all the glamour and wealth that global cities accumulated over the last four decades, they could never shake off the contradictions of the neoliberal global market that had given them life. They partook in the polarizations, increasing inequities, and divisions of the neoliberal economic model—expressing them in material form in the unequal development of cities around the world, and the unequal access and opportunities within cities themselves.

After decades of growth, the 2008 global financial crisis has signaled a loss of confidence in this economic and political model—although a decade and a half later the outline of an alternative is still yet to come fully into focus. There are signs in the wake of the Covid-19 pandemic that several alternatives are now emerging, however, and infrastructure will be at their heart.

These include President Biden’s moves towards a new national industrial strategy with the Bipartisan Infrastructure Law of 2021 and the Inflation Reduction Act of 2022, and the European Union’s European Green Deal of 2020 (aimed at making the EU carbon neutral by 2050).

The global financial crisis had just as profound an effect in China as it did in the heartlands of the liberal international order. In this sense, two of the biggest events of the 21st century are deeply entwined—the weakening of faith in the liberal international order and its economic model, and the rise of an illiberal geopolitical peer competitor to the United States.

Chinese strategic thinking has been shaped by the seismic event of the 2008 crash, which was in large part a catalyst for the Belt and Road Initiative—a vast program of infrastructure investment designed to provide new connectivity across Eurasia and Africa via new transport links, urban development, new digital architectures, and energy infrastructure.

This is all tied to an overarching narrative of reviving the ancient and medieval silk roads, which had linked together these immense regions for over a thousand years between the time of the Roman Empire to the discovery of the Americas—and the rise of the West.

Such ideas had been discussed in Chinese policy circles before President Xi Jinping took power in 2013, but it was he that made them the central plank of his foreign policy over the last decade, writing them into the Chinese constitution, tying the Belt and Road Initiative to his own designs to make China a leading force in the world once again, and decisively throwing off the policy of careful growth within the framework of the liberal economic order that had been the guiding principle of Chinese foreign policy since the collapse of the Soviet Union, and had provided decades of rapid growth and economic development.

The global financial crisis brought that cautious policy—often referred to as “hide and bide” —to a close. Since then, China has increasingly turned its growing economic heft towards geopolitical goals—and many now see the ultimate direction of such goals as the long-term transformation of the US-led liberal international order itself. The Belt and Road Initiative has been central to these aims for the last decade—and infrastructure provision and urban

development have been the central mechanisms by which they have been pursued.

## The Belt and Road Initiative

The Belt and Road Initiative was announced by President Xi near the very start of his first term in a speech in the city of Astana in Kazakhstan in 2013 (a land once pivotal to stage along the historic Silk Roads), can now be seen as the opening gambit in this new era of infrastructural geopolitics.

The immense scope and ambition of the BRI, and the vast resources that have been poured into it over its first decade, serve to illuminate the connection between the grand strategy of Great Powers and transnational infrastructure construction. This connection is playing out today across such varied domains as urban landscapes, transportation networks (highways, railways, maritime ports), energy pipelines and power grids, submarine internet cables, and digital architectures.

The BRI's ambitions are grandiose, stretching not just across immense tracts of territory and space, covering Afro-Eurasia and beyond, but also across time—this last decade has been just the first of a vision that culminates in 2049 (a resonant date because it marks the centenary of the victory of the Chinese Communist Party in the Chinese Civil War).

The middle of the 21st century, if this vision were to be realized, would see China reclaim its position at the core of a reconstituted international order. For with the infrastructural connectivity being built through the BRI, all roads ultimately lead back to the Chinese core.

Since its launch in 2013, the BRI now encompasses over 150 states, which represent over two thirds of the world's population. Its projected eventual cost has been estimated to be anywhere up to \$8 trillion, with around \$1 trillion already committed. The core of the BRI consists of six urban developmental corridors that branch out from China across Eurasia, each connected by road, rail, energy, and digital infrastructures, as well as a maritime “silk road,” linking a string of existing and planned port cities together.

However, the geographic ambition and multi-dimensional nature of the BRI is indicative that it is not simply a series of material infrastructure components, nor just a development strategy, but a grand strategic play aimed at fostering Chinese regional and perhaps ultimately global leadership.

It uses infrastructure and urbanism—city building and shaping and connectivity—as mechanisms with which to achieve these broader geopolitical

goals. It also has a number of other dimensions: the BRI has been linked to Chinese attempts to gain greater influence in existing international organizations, such as the United Nations and its specialized agencies, as well as new institutions designed to provide alternatives to the existing institutional order, such as the Asian Infrastructure Investment Bank, sometimes seen as a potential rival to the World Bank.

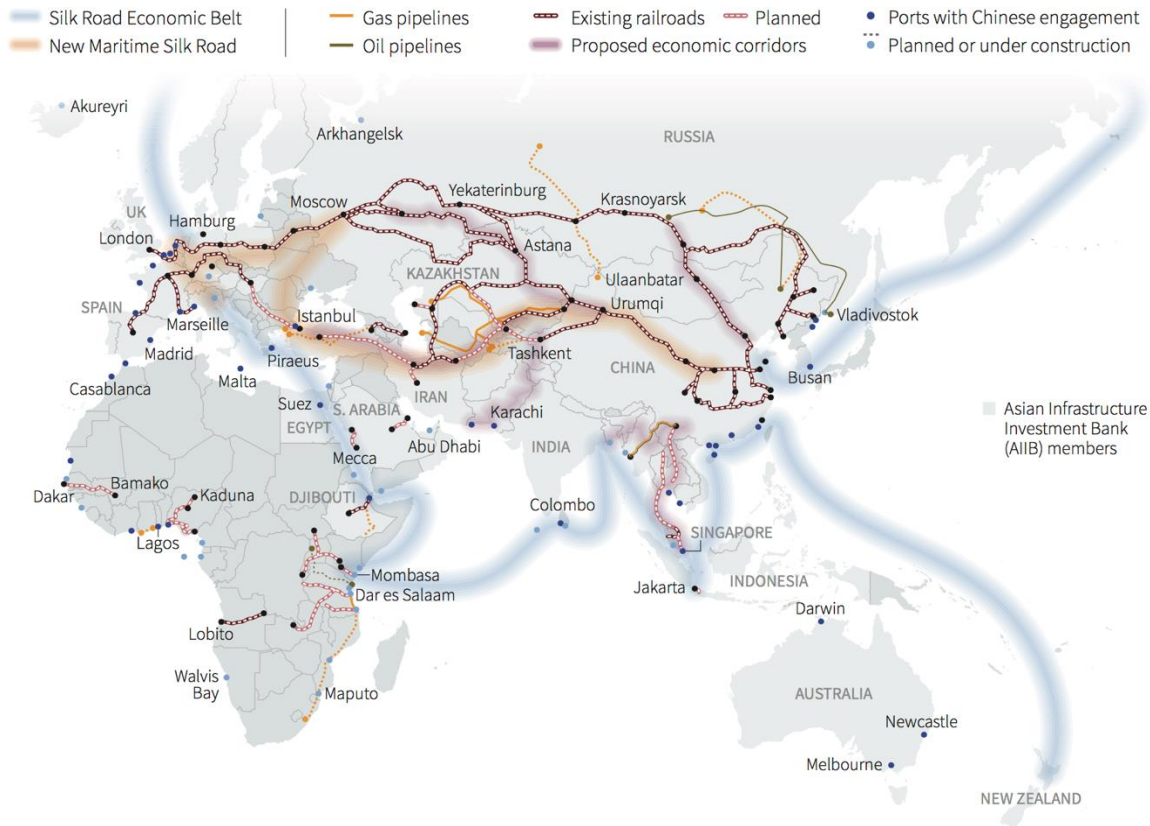
The multidimensional and long-term nature of the BRI as grand strategy are breathtaking in both spatial and temporal scope. Rather than see the individual projects of the BRI in terms of attempts at crude debt diplomacy, as critics sometimes do, it is better to view it as a geopolitical play aimed at loosening the grip of the United States and its allies on the institutions and character of international society over a long timeframe—made by a regime that has the ability to plan decades ahead.

Transnational developmental urban and infrastructural corridors are at the heart of the BRI. The six major corridors of the BRI are mechanisms of regional economic integration. The New Eurasia Land Bridge Economic Corridor links China and Europe, bringing together cities as diverse as Xian, Khorgos, Astana, Warsaw, Berlin, and London.

The China-Mongolia-Russia Economic Corridor ties together cities such as Beijing and Ulaanbaatar and St. Petersburg. Both of these routes clearly involve a cooperative role for Russia if the BRI is to operate as a link between China and Europe, which Russia's invasion of Ukraine in 2022 has now served to complicate.

But as Russian ambitions in the region run aground on strategic miscalculation, China's influence across the former Soviet Republics of Central Asia has grown. The China-Central Asia-West Asia Economic Corridor incorporates Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, as well as Iran and Turkey.

In Southeast Asia, the China-Indochina Peninsula Economic Corridor runs from Kunming, the capital of China's Southeastern Yunnan Province, to link cities that include Hanoi, Vientiane, Phnom Penh, Bangkok, and Kuala Lumpur. The Bangladesh-China-India-Myanmar Economic Corridor would link such cities as Mandalay, Yangon, Dhaka, Chittagong, Kolkata and Madras—although India has its own geostrategic ambitions.



Source: Mercator Institute for China Studies.

The China Pakistan Economic Corridor is the only purely bilateral corridor, and as such is perhaps the most developed, linking Peshawar, Islamabad, Lahore, Multan, Hyderabad, Karachi, Gwadar, and, within China, cities such as Ürümqi and Kashgar. It seeks to generate an ever-closer economic relationship between China and Pakistan, linking China with territories stretching all the way to the Gulf of Oman, via new highways, natural gas pipelines, fiber optic cables, power plants, and hydro-electric dams.

The BRI corridors are intended to generate self-sustaining processes of urban agglomeration, economic growth, and regional connectivity that will facilitate development across huge transnational regions. These economic corridors form the backbone of what is an immense plan for economic development for the region, a rewiring of the connections of the global economy.

Although the infrastructural components of the BRI are multiple and varied, the overall vision linking them together is for a world more deeply connected to Chinese leadership and developmental expertise, gradually coalescing into what President Xi often refers to in his major speeches as an evolving “community of common destiny,” with China at its core.

We can briefly consider three infrastructural and urban dimensions via which this transformation is being pursued—transport connectivity, digital architectures, and energy transition—before assessing recent geopolitical responses to what the BRI has achieved from the United States and the European Union.

## Transportation Connectivity: The Iron Silk Road

The BRI's backbone consists of transport infrastructures that link and catalyze urban development and growth. New highways, railways, and maritime ports form some of the key elements. Although China has busily been building new road connectivity out across Eurasia, it is the railways of the BRI that have been most eye-catching—an emerging “Iron Silk Road.”

China is a world leader in high-speed railway construction, partly gained by technology transfers from partnerships with Japanese, French, and German companies over recent decades. China-Europe Freight Train (CEFT) now operates over 80 routes that connect almost 100 Chinese cities to 200 European cities, as well as many others across Central Asia and Southeast Asia. Container freight from the new dry-dock of Khorgos to the German city of Hamburg now takes around two weeks rather than the month it took 10 years ago.

New high-speed rail connects Chinese cities with destinations such as London, Tehran, and Singapore. And, as [Xiangming Chen highlights in his contribution to this project](#), the new rail logistics connectivity built under the auspices of the BRI has become a durable network—one that has even been found to be robust in the face of the immense disruption of the Russia-Ukraine war.

Building on a longer Cold War legacy, China has also built significant new tracks connecting various parts of Africa. For example, the Mombasa-Nairobi Railway in Kenya, is one of the largest recipients of BRI funding to date, enhancing Mombasa as a regional economic hub, through which 80 percent of East Africa's trade passes. Another port project at Lamu, further along the coast, will add even more capacity. And more railway construction northwards is connecting Kenya with Ethiopia and South Sudan.

The emerging urban corridors in Africa and Eurasia also link to the “Maritime Silk Road,” and a series of strategic investments in ports—some redeveloping older ports, some building entirely new ones. An eastern maritime route stretches from the South China Sea to the Indian Ocean and up through the Suez Canal to the Mediterranean Sea.



A western route could also connect China to the South Pacific. China's own major seaports—Dalian, Tianjin, Shanghai, Hong Kong, Shenzhen, Xiamen, Ningbo, Qingdao—are to be connected to other strategic port investments, including Colombo and the new port of Hambantota in Sri Lanka, Gwadar in Pakistan, Kyaukphyu in Myanmar, Piraeus in Greece. China is using the maritime silk road to alter the structures of the global economy—shifting the pattern of commercial shipping and building new routes for the flows of global trade.

The different infrastructural elements of the BRI, often seen as individual components and projects, are, nevertheless, part of a larger regional vision: Gwadar Port linking the China Pakistan Economic Corridor to the Persian Gulf; Kyaukphyu linking the Bangladesh-China-India-Myanmar Economic Corridor to the Indian Ocean; Piraeus linking the Mediterranean Sea to the maritime silk road and opening a gateway to railway and highway building in Eastern Europe. China now has strategic investments in over two-thirds of the world's major container ports.

However, as [Julie Miao outlines in her study of Darwin Port](#), Australia, these investments often come with geopolitical tensions on full display. China's investments have the potential to reposition ports and other cities in new spatial relationships and networks—but attempts to draw cities into the orbit of the BRI are often now met with geopolitical push back on the grounds of national security, as has happened in Australia with Darwin.

## Digital Architectures: The Digital Silk Road

In the contemporary global landscape, power and influence are increasingly manifesting themselves in the digital sphere. China has been at the forefront of this transformation over the past decade, building a new “Digital Silk Road.”

This expansive initiative encompasses the development of novel digital infrastructures, including 5G networks, fiber-optic cables, data centers, and satellite constellations. These technological innovations blend into the evolving urban tapestry, shaping the landscape of “smart cities” and giving rise to new economic, political, and social arenas of interaction and control.

The digital connectivity facilitated by Chinese loans and expertise presents a departure from the decentralized network structures associated with the early Internet. Instead, it introduces distinct social and technological paradigms marked by novel forms of network control and surveillance technologies.

China has committed substantial financial resources to this endeavor, with \$7 billion allocated for fiber-optic cables, \$10 billion for e-commerce and mobile payment systems, and hundreds of billions more for smart city projects. The

funding derives from a combination of Chinese Development Banks, such as the Export Import Bank of China and China Development Bank, along with state-owned commercial banks.

Chinese corporate giants like Huawei, ZTE, Alibaba, and Baidu directly benefit from the Digital Silk Road umbrella. Recipient nations utilize these loans and investments to engage Chinese companies in constructing telecommunication networks, smart cities, cloud computing facilities, data centers, and digital payment platforms, where China has honed its expertise over the past decade.

This monumental construction effort is, in part, motivated by the demographic reality that a significant proportion of global population growth will occur in the global South. By 2050, approximately half of the world's population growth is expected to take place in Africa, where China has been involved in numerous major projects. As [Andrea Pollio writes in his contribution to the project](#), African cities have frequently become “testbeds” for Chinese digital infrastructure development, and are set to be torn between geopolitical poles of power, as different actors vie for market opportunity and influence.

Central to many of these initiatives is the Chinese company Huawei Marine, which has played a pivotal role in assembling an extensive undersea cable network rivalling those operated by Western states. Notable projects include the China-Pakistan Fiber Optic Project, the Pakistan-East Africa Connecting Europe (PEACE) system linking East Africa to Asia via an Arabian Sea submarine cable, and the South Atlantic Interlink (SAIL) Cable System connecting Africa with South America.

Additionally, Huawei has collaborated on projects like the Guinea Backbone Network, enhancing interconnectivity in West Africa. Meanwhile, another Chinese firm, BeiDou, is building a constellation of satellites, reducing China's reliance on global navigation systems and extending coverage to its BRI partners.

This has been a decade where China has made huge efforts to build an alternative set of digital architectures that could connect its allies and affiliated states ever more closely with its own emerging socio-technical system. As Jonathan Hillman argues in his recent book, *The Digital Silk Road*, “collectively the new routes outline a China-centric global infrastructure that did not exist a decade ago.”

And alongside the construction of the new material backbone have come extensive Chinese efforts to influence international technical standards at major UN agencies such as the International Telecommunications Union (ITU), which establishes common standards for telecommunications technologies. The ITU was previously dominated by North America, Europe, and Japan, but has seen

much more involvement by China as it seeks global leadership in the race to develop the technologies of the twenty-first century.

However, concerns persist that the digital connectivity offered by China may empower governments with enhanced capacities for social control, mirroring the control exercised by the Chinese regime over its domestic society. China's own urban surveillance system, known as Skynet, comprises tens of thousands of cameras and sensors monitoring citizens' daily lives from various vantage points.

And in Chinese cities such as Kashgar, where the regime has cracked down on the predominantly Muslim population after a series of terrorist attacks on ethnic Han Chinese in 2008 and 2011 in the city, surveillance cameras, facial recognition scans, checkpoints, ID cards, and digital control centers have all become part of the fabric of everyday urban life. This set of technological capabilities are increasingly sold abroad by Chinese companies such as Huawei, ZTE, Hikvision and Dahua, as part of the so-called "Safe City."

Chinese companies have extended the reach of these technologies and services to more than 100 nations. Notably, the city of Lahore in Pakistan, the Serbian city of Belgrade, and the Kenyan urban centers of Nairobi and Mombasa have adopted extensive surveillance camera systems. In 2017, Huawei joined forces with the Malaysian government to collaborate on the development of public security and smart city initiatives for cities across Malaysia. Officials from Ecuador undertook journeys to China to visit surveillance laboratories, highlighting the global interest in these technologies.

## **Energy Transition: The Green Silk Road**

Many of the BRI's projects are related to energy connectivity: new pipelines across Eurasia; new hydroelectric dam projects in Cambodia, Pakistan, Tajikistan, Georgia, Myanmar, and Indonesia; new solar and wind farms projects in Kazakhstan and Pakistan. Some of this investment is in older technologies of the carbon age, although China has recently pledged to stop investing in new coal power stations. China knows that if it is to be successful and attractive to others, the BRI needs to go green.

Here, China has shown increasing ambitions to international leadership in the global shift toward achieving net-zero emissions. It has committed itself to achieve carbon neutrality at home by 2060. And China's investment focus has been gradually shifting toward renewable energy sources. Over the span of three decades, China has developed three times the wind, solar, and hydropower generation capacity of the United States. Furthermore, China

stands as the foremost domestic market for solar panels, wind turbines, and electric vehicles.

To give substance and definition to its evolving offer in this area, China has been gradually formulating the concept of an “ecological civilization.” Under President Xi’s leadership, this concept has consistently been linked with the United Nations Sustainable Development Goals and is presented as a part of China’s commitment to achieving those goals by 2030.

This concept intentionally departs from Western development discourse to emphasize unique Chinese “characteristics.” While the concept needs further development and refinement, China hopes that successful domestic innovations associated to it can be transmitted through the BRI to other nations, showcasing Chinese technological leadership to build a transnational “Green Silk Road.”

To understand how this vision can be realized, we need to look to cities and their surrounding regions, along with the infrastructure that binds them together. As with much of what China has been doing with the BRI, the thinking is on large regional scales. China has been developing ecological “pilot cities,” and there are plans for entire eco-city regions.

For instance, Zhenjiang Province has been designated as an ecological-economic system, with the goal of fostering a circular economy at its core. Similarly, Fujian, Guizhou, and Jiangxi Provinces have been slated for the establishment of ecological civilizational models, featuring pilot cities such as Shenzhen and Guangsha.

Two noteworthy examples of these eco “pilot model cities” are Guiyang and Xiong’an New City. Guiyang, on the banks of the Nanming River, has implemented a circular economy plan aimed at achieving zero waste, reducing carbon emissions, and promoting ecological well-being over the past decade. Xiong’an New City, located 80 miles from Beijing, is a newly constructed city designed as a green high-tech development hub within the Beijing-Tianjin-Hebei economic triangle.

This city places a strong emphasis on green finance, sustainable energy, and abundant green spaces to support ecological living. Over half of the city’s energy needs will be met by renewable sources, including solar and geothermal energy, managed through a smart grid. Xiong’an is also poised to become an intelligent city or smart city, with autonomous vehicles providing public transportation and each physical structure or infrastructure element having a digital twin, creating an ever-evolving virtual map.

Despite its projected size, equivalent to that of London and New York combined, Xiong'an follows the concept of the "15-minute life circle," with the idea being that all essential goods and services required by urban residents are accessible within a 15-minute radius.

Moreover, China has introduced other innovative concepts, such as the "Sponge City," which envisions the transformation of low-lying and low-density urban areas within cities and along entire urban corridors into spaces featuring parks and wetlands capable of absorbing heavy rainfall. This innovative approach attempts to mitigate urban flooding by recycling and gradually releasing excess water back into rivers. Such as concept has been implemented in a number of Chinese cities, including the 34-hectare Qunli stormwater park in the northern city of Harbin.

If China can develop successful urban models at home, those models may spread via the conduits of the BRI, as well as the existing multilateral institutions, and via the increasingly important parallel governance structures of transnational city networks that have grown up to share knowledge and experience amongst each other over the past four decades of global city formation, of which Chinese cities, such as Guangzhou are increasingly active members. And, [as Liza Cirolia and Rifquah Hendriks write in their contribution to the project](#), African cities have become some of the key sites in which China's role in energy transition can be seen in the evolving weave of African urban fabrics.

## Infrastructure, Urbanism, and Geopolitics in the 21<sup>st</sup> Century

The BRI is now a decade old, and for much of that time it has been relatively unopposed. However, its growing influence on the politics and the economic connectivity of many regions has begun, in the last few years, to elicit responses from other major powers, as the realization has begun to dawn that the future character of international order, and the question of international leadership and vision for the twenty-first century, is at stake. Major Western powers have been experimenting with rival infrastructure investment schemes aimed at counter-acting China's BRI—sometimes separately, sometimes in tandem.

Some have suggested that these new schemes can be complementary with the BRI, thus helping plug the huge infrastructure investment gap in the global South—estimated by the World Bank to be in the region of \$18 trillion. But, in reality, what we are seeing seems more likely to be the opening moves in a new geopolitical contest for global influence in the twenty-first century—as infrastructure and the urban nodes it connects become key battlegrounds in such a contest.

If China and major peer-competitors cannot come together, and current tensions and ideological schisms make this unlikely, one possibility is that we will see a divergence between rival infrastructural blocs, incorporating competing values, technologies, and standards, and diverging on underlying political and economic models and ideological commitments.

Although in 2019 the Trump administration had taken steps to counter the BRI with the \$60 billion International Development Finance Cooperation (USIDFC), aimed at lower- and middle-income countries, and had also participated in the Blue Dot Network, an infrastructure alliance between the US, Japan, and Australia, it was not until President Biden announced the Build Back Better for the World initiative in 2021, which would later become the G7 Partnership for Global Infrastructure and Investment (PGII), that the United States and its allies began to seriously grasp the nettle of countering the BRI.

Subsequent developments have strengthened the response. The Biden Administration's signature policy has been to develop a new national industrial strategy, with green technologies and jobs at its core; including the Bipartisan Infrastructure Law of 2021 and the 2022 Inflation Reduction Act—which, despite its name, is focused on infrastructure and climate change, at home and abroad, with around \$370 billion slated for energy transition programs.

Although details have been slow to emerge, at the recent G7 summit in September 2022, the PGII announced its first major project—the India-Middle East-Europe Economic Corridor (IMEC), aimed at connecting Europe, the Middle East, and Asia, with a new railway at its heart, and new shipping routes connected via a series of ports, as well as digital and energy infrastructure components.

Another major project is the Trans-African Corridor stretching from Angola to Zambia. These moves into financing transnational urban connectivity corridors mark a distinct shift in policy when it comes to infrastructure construction—and have distinct echoes of the urban developmental corridors that China has pioneered with the BRI.

Meanwhile, as [Alessandro Gili writes in his contribution to the project](#), the European Union has also made significant moves in this area, setting up new infrastructure investment programs aimed at Africa and India, and developing the \$300bn backed EU Global Gateway programs, which emphasize high quality infrastructure investments with tighter social and environmental standards that are designed to reflect and export its own values.

Given China's long-standing and growing commitments in Africa, the EU's renewed focus on infrastructure investment in the region is part of an emerging geopolitical contest over connectivity and influence, in which very different

economic and political models and values will be expressed via these material conduits and channels.

And the EU has also felt the need to respond the United States' return to protectionist measures, countering the Inflation Reduction Act with its own EU Net-Zero Industry Act which supports green industries and technologies. In many ways, and despite China's decade head start, these Great Power states are responding to similar pressures, opportunities and competitive dynamics. The emerging geopolitics of infrastructure competition will connect a variety of global challenges that states and societies will need to overcome.

Not the least of these is the challenge of the geopolitics of net-zero, and the ability to successfully develop and export a model of urbanism and infrastructure development will be at the core of successful great power leadership in the coming decades. Given the competitive nature of the international system, it is increasingly possible that we may be entering into an era of diverging models and socio-technical systems, as China and the West follow different approaches.

But another clear trend that actually unites, rather than divides the very different approaches, is the return of the state to the center of economic life, after four decades of neoliberal ideology in the West, with its emphasis upon deregulation and market liberalization. In other parts of the world, the state had always played a central role, with a variety of models of state capitalism emerging—China's brand of state capitalism perhaps offering the strongest challenge.

But now, in the wake of the critical role of the state in maintaining economic stability in the global financial crisis and then during the Covid-19 pandemic, and in meeting the vast challenge of the transition to net-zero, it seems that the relationship between state and market is being recalibrated once again, even in the heartlands of Western neoliberalism.

This return to the type of interventionist state that we last saw dominate in the United States and Europe in the post-World War Two period may bring with it implications for the global cities that we have seen develop in the last forty years. Such cities have grown and developed transnational connections when the state has stepped back and given them the space to do so.

As geopolitical and societal challenges proliferate, it is possible that space may diminish. It is in the nexus between state power and capitalism, great power competition and transnational infrastructures of vast scale, and in the changing forms of cities and urban life, that we must look to find the emerging shape of the twenty-first century.

## About the Chicago Council on Global Affairs

For nearly two decades, the Council's Center on Global Cities has studied, hosted meetings, and published on the relationship between global affairs and cities, including Chicago. It supported the creation of plans for Chicago's global engagement in 2007 and 2017, the former leading to the creation of the Mayor's Office for International Engagement. The Center works closely with the Global Parliament of Mayors, a city-to-city network whose advisory board is chaired by our president, Ivo Daalder, as well as a wide range of international think tanks and mayors' offices which have developed, studied, and implemented city international strategies.