

**Background:****Belt and Road**

Since 2013, China's Belt and Road Initiative, also known as BRI, has funneled over 1 trillion USD to 150 countries, a policy the *Wall Street Journal* has declared to be "literally planting the Chinese flag around the globe,". Additionally, the Journal's African Bureau Chief, Gabriel Steinhouser, describes the development as "Impossible to miss, particularly in Sub-Saharan Africa". BRI has allowed China to build relationships with developing countries, linking its economic power to political relationships and resulting in substantial trade impacts. For example, from 2013 to 2023, Kenyan exports of metals critical for electric vehicles to China have skyrocketed, according to Johns Hopkins research.

However, the implications of this initiative reach far beyond trade. In 2024, 53 countries attended the "Forum on China - Africa cooperation". Moussa Faki Mahamat, Chairperson of the African Union Commission said, "The level of participation in this summit demonstrates the trust Africa places in China and the central role this partnership plays in our development agenda." These efforts outpace the E.U. and U.S. attempts to establish diplomatic relations with the Global South and experts say the Chinese Forum is the premier diplomatic event for the African continent.

**Area Overview:****African Significance & Value**

Moving into the significance of the Global South. In February 2024, the E.U. and U.S. set objectives to actively reframe their partnership with the Global South, particularly Sub-Saharan

Africa, identifying the region as quote “the key to addressing many of the world's most critical challenges.” The United Nations cites that Africa holds a vast share of the world's natural resources, including 30% of global mineral reserves and significant deposits of rare elements.

These resources are essential for powering global industries, and access to these resources for the U.S and E.U. is crucial for advancing clean energy goals, and maintaining national security leadership.

Beyond these projects, China is offering a model of relationship in which deals can be cut quickly and favors dispensed. Furthermore, at G20, Chinese President Xi Jinping outlined a vision for global governance that experts described as “using euphemisms to describe a Chinese led world order that displaces the US”.

However, it has proven difficult for the United States and European governments to compete with China. David Sacks, a fellow for Asia studies at the Council on Foreign Relations, co-directed an independent task force to combat Belt and Road. The task force concluded that BRI presents significant risks for U.S. economic, political, climate change, security, and health interests. Plus, the western response has been insufficient.

Senior scholars in Beijing have even determined that if there is a US – China Rupture, China will survive and thrive because developing countries will take China’s side. On top of that, in its annual report, a commission of security and economic experts convened by Congress said that to

counter China's ambitions, there was a need for a "clearly coordinated U.S.-led effort to build a coalition of like-minded countries."

## **Policy Proposal**

### *1. Joint Strategic Policy and Technology Council*

Thus, our team proposes the creation of the Strategic Transatlantic Response for Investment in Developing Economies, or STRIDE Council. Our proposal is a joint E.U./U.S. initiative to align policy approaches for geopolitical positioning and oversee the development of an artificial intelligence model designed to aid and optimize capital deployment. To establish foreign partnerships with developing countries and effectively combat China's growing influence in the Global South, STRIDE would be bifurcated into policy and technology divisions.

STRIDE would scale the promising results achieved by past U.S.-European ventures within this space. In 2022, Angola rejected a Chinese proposal to refurbish the Lobito Railway, opting to accept a proposal from a European consortium backed by the U.S. During Biden's trip to visit the project in December 2024, his officials made it very clear that republican lawmakers and Trump officials demonstrated high interest in continuing the venture. More importantly, they highlighted that this model serves as a blueprint that should be replicated moving forward.

### *2. Policy Division*

At a macro-level, STRIDE's Policy Division will have a trilateral purpose. Firstly, serving as a central body to chart program objectives. Policy and international affairs experts from both

geographies would convene to establish long term strategic objectives regarding the global south. The EU and the US express aligned visions to promote stability, peace, and prosperity, and the EU describes the partnership as “essential for both sides of the Atlantic and a vital framework to share perspective.” Secondly, the division would encompass a diplomatic arm to build foreign relationships and manage international affairs. Finally, it would coordinate funding streams across sectors and institutions to finance project infrastructure.

### 3. Technology Division

STRIDE’s technology division would develop an artificial intelligence model designed to aid decision-making throughout an investment's lifecycle. When characterizing the utility of AI for investment firms, the World Economic Forum stated, “AI can enable richer insights by analyzing datasets, market and geopolitical risks, and market sentiment – offering a 360-degree view of potential investments.” Furthermore, the division would create a platform for joint AI innovation and advancement. The emergence of China's DeepSeek AI has intensified the global competition in artificial intelligence, underscoring the need for enhanced cooperation between the European Union and the United States.

Additionally, high-quality data is essential for model performance, and the U.S. and E.U. collectively maintain some of the largest, most sophisticated data ecosystems in the world, spanning critical sectors ranging from geopolitical strategy to economic planning. One example of this in practice is NASA’s SERVIR program, which leverages AI and satellite data to support developing countries in monitoring land use, forecasting droughts, and managing natural

resources. Mutually beneficial foreign aid involves analyzing vast quantities of data, and AI excels at processing and synthesizing large datasets far faster than human analysts—revealing patterns, correlations, and predictive insights.

Integrating government datasets into a unified AI model allows STRIDE to unlock a data-driven approach to foreign investment and development, grounded in empirical insight. No other geopolitical bloc has this combination of data depth, democratic credibility, and technical capacity—making this a clear transatlantic advantage.

#### 4. Funding and Capital

Having outlined the STRIDE’s structure, we will now turn to the funding mechanism. The E.U. and U.S. have pledged hundreds of billions for investment in developing countries and sustainable projects. The E.U.’s global gateway program pledged up to 300 billion Euros for investment in sustainable and high-quality projects, and the United States has invested 65 billion dollars in Africa over 2 years. While the Trump administration has recently scaled back foreign aid, Peter Pham, Trump’s previous special envoy for the Sahel and Great Lakes region of Africa, emphasized, “The America first agenda can not be carried out without inputs of resources, access to these resources, and access to markets” and experts predict that the Trump administration will dedicate comprehensible funding for strategic development in the Global South.

Outside governments, BlackRock agreed to a deal worth 23 billion USD to acquire a majority stake in the Panama Canal. A report by *Resourcewise* determined that BlackRock's strategic

investment might encourage other American companies to consider similar ventures in developing countries, particularly in geographies of geopolitical importance.

Our proposal would provide the opportunity to aggregate capital from American and European governments, as well as institutional partners, a practice known as syndicated lending, to diversify risk and establish a robust funding mechanism.

### 5. Other Benefits & Considerations

But the benefits of our policy are not only with the US and EU in mind. In addition to the EU and U.S., local governments and public stakeholders in the Global South also stand to gain extensively from Western-backed projects. While BRI has allowed China to build political influence in the Global South, it is often criticized, especially for poor construction standards and opaque financing terms. In Ecuador and Uganda, substandard construction in hydroelectric plants, structures meant to last a century, has led to cracks that pose the risk of catastrophic failure. Furthermore, Pakistan faced an economic crisis from the pressure of BRI loans, and China now obligates lender-controlled escrow accounts, in which they could grab cash in the event of default, placing more risk on developing countries or creating a debt trap.

Our proposed framework, anchored by U.S.-E.U. cooperation, prioritizes long-term economic resilience. By channeling capital through robust, data-informed models and upholding international best practices, the policy offers an alternative to the “build fast, exit quickly” model

often associated with Chinese-led developments. In doing so, it empowers local governments and mitigates the long-term risks of debt dependency and project failure.

Beyond infrastructure development, STRIDE offers a unique and timely opportunity for the European Union and the United States to strengthen transatlantic relations in a region where their strategic interests align: the Global South. Furthermore, the proposed council provides the opportunity for technical collaboration to enhance research and development in the ever-more-important AI race. Previous innovative technologies, such as the internet and human genome project, have proven that joint creation is the first step to developing unified frameworks for governance. In a rapidly innovating world, the Atlantic Council emphasized that coordination between the EU and US is “essential” to establish global safety in the face of escalating pressure by hostile actors.

STRIDE lays the foundation to strengthen our transatlantic relationship, a partnership of paramount importance, not only for our respective democracies but for the international community as a whole.

Our proposal channels shared values, economic leverage, and data-driven insight into a unified framework to deepen engagement with the Global South and position our democracies to solve the world's most critical challenges. This council serves as both a policy instrument and a diplomatic bridge, advancing collective goals while strengthening the transatlantic partnership through the power of artificial intelligence.