THE NEW GREAT GAME IN SOUTH ASIA: THEORISING THE GEOPOLITICAL OUTFOXING OF INDIA

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Abstract: China has been taking more active interest in South Asia, particularly since last two decades. China's evolving South Asia policy hinges on multiple factors, which are strategically-driven, politically-oriented and economically manifested. The core issues of China include manifold interests and concerns like peripheral stability by curbing extremism, outdo India-US influence in the region, thwart India’s rising influence in South Asia, continuity of fast growing economy by securing safe access to Indian Ocean routes, rallying friendship and entering the littoral states through aid and investment process, are crucial considerations of China’s policy towards South Asia. Therefore, China has adopted an approach to handle the relationship with South Asian countries as a whole with utmost care to ensure strategic and security objectives. Against this backdrop, this paper would be an attempt to answer a question how China’s geopolitical and geostrategic manoeuvrings regarding ‘New Great Game’ outdo India in South Asia.

Key Words: Great game, South Asia, China, India, Dominant power.

Introduction: The New Great Game refers to the geopolitical and geostrategic competition for influence, power, hegemony and profits predominately between China and India in South, Southeast and Central Asia and the Indian Ocean region. The historic 19th century ‘Great Game’ seems to be in the process of revival, although in different settings with different actors and competing interests. Rudyard Kipling, states that the Old Great Game- a reference to the 19th and 20th-century competition for influence in Asia between Russia and Britain, now has a new competitors. Instead of an expansionist Russian Empire confronting Imperial Britain, it is now China voracious for political, terrestrial and maritimespace and raw materials for which both have flexed their muscles. China has been intruding in South Asia and directly/indirectly challenging India. According to Pandita (2016), the ‘New Great Game’ appears to be moving to the South Asia where the actors are no more interested in building empires as the case was in old Great Game, but have been in search of greater amount of influence in political, economic, social and defence fields in order to have superseding status in the region. They have been acting independently, sometimes in collaboration without losing attention of their respective competing/mutual interests. The original Great Game saw Britain and Russia manipulating and intriguing against each other across most of the Asia at the end of the nineteenth and twentieth centuries, from the Gulf to the Pacific. Likewise, it has emerged between India and China in the 21ST century amidst various intersecting interests.

India and China have been emerging as the key actors in the South Asian region with fast moving upward trends of power course-be it economic, military or technological. Their rise and competition have been significantly affected the geopolitical and geostrategic dynamics of the region. Both the powers have been harbouring global power aspirations and striving to achieve the same for the given of their fast growing economies, modernization and expansion with capabilities of nuclear weapons, exponential growth in defence.
budgets combined with massive workforce reserves. As a result, they have been competing for influence in South Asia and other adjoining regions. No doubt the initial period of relations between the two countries was somewhat cordial, but it did not last long when China invaded India in 1962. Since then, the two neighbours have remained on opposites. The strategic competition has been continuing to escalate between the two giants. The Sino-India New Great Game actually pertains to territorial disputes, competition to secure resources, formation of strategic military alliances and the use of strategic relationships with other major and regional powers to contain/curb the rising geopolitical and geostrategic influences. Scott (2008) while describing the competition between the two powers, states that China’s ‘Great Game’ is the curtailment of India’s rise and vice versa because China is conscious about India’s potential of challenging it in South Asia and beyond where their interests and influences will collide (Scott, 2008).

China and India in the South Asia: Constructive/Conflicting Perceptions

China’s location does not fall within the geographical confines of South Asia but its influence has a pivotal position in the regional geopolitics for the given her power regarding geography, demography, military, economy and friendly relations with almost all the South Asian states. China has emerged successful in maintaining the substance, strength and stability in its relations with the region except for India with whom the relations have been undergoing bitter and hostile experiences. Its independent foreign policy and five principles of peaceful coexistence have been yielded significant dividends of constructive engagement with the region. China’s policy towards South Asia is based on a mixture of mutual convergences, characterised by economic opportunities, territorial disputes, security fears, containment of India and resisting the US influence.

The policy adopted by China about South Asia is in line with the security of its overall national strategic interests like peaceful periphery particularly south-western frontier regions of Tibet and Xinjiang and uninterrupted economic activities. In pursuit, China’s policy hinges on to maintaining regional peace and stability using diplomatic influence and balance of power. Also, China is interested in winning the regional countries in manifold cooperation, economic tie ups and friendly dealings and to evade resentment by adopting a neutral posture in regional conflicts. China is judiciously pursuing its policy to generate enough security measures for the security of SLOC’s which are critical to sustaining the fast growing economy. China’s further objectives are to increase its influence to have safe access to oil and the gas-rich Middle East, Central Asia and the Caspian Sea resources and to break the US strategic encirclement of China and to contain the rise of India in the region.

India has always been interested in maintaining a peaceful policy towards its neighbours to have cordial and close relations mandatory for India’s progress, with all these countries right from the independence. But the conflicts have often been cropped up between India and its neighbours. They have displayed an hostile attitude towards India at many instances either at the behest of external powers or due to the unresolved issues of borders, water sharing or other. The development of cordial relations hampered because India was at times accused of trying to act as a hegemon which is trying to dominate the small neighbours in the region. India is being viewed with suspicion for having vast territory, largest population, leading military strength, and a nuclear capable power. These factors have generated a continued fear of India’s expansion and domination in terms of
trade and other matters, and interference in national affairs in the region. Till date, India has achieved little success in solving all the disputes and clearing all mistrust with neighbours especially Pakistan, because they demand unnecessary concessions from India which is impossible for India in view of its national interests. India always insisted on solving the issues bilaterally and peacefully, but the neighbours always created hurdles.

Competing Interests and Geopolitical Responses

The Great Game of China is the containment of India’s rise and influence so that it may not hurt Chinese interests in the region. This was explicitly acknowledged by the statesmen and scholars of both the countries. Guihong stated that “An emerging India does mean a strong competitor for China from South, West, Southeast and Central Asia to Indian and Pacific Oceans where their interests and influences will clash” (Ibid). China’s tremendous growth in power and its presence around India both on land and sea has worried India. The then Defence Minister Fernandes stated in 1998 that “China is potential threat number one . . . China is and is likely to remain the primary security challenge to India in the medium and long-term . . . The potential threat from China is greater than that of Pakistan and any person who is concerned about India’s security must agree with that”. Khanwal (1999) also opined that Chinese activities “clearly indicate that concerted efforts are underway aimed at the strategic encirclement of India . . . Quite obviously designed to marginalise India in the long-term and reduce India to the status of a sub-regional power . . . It [China] is unlikely to tolerate India’s aspirations to become a major regional power in the Asia-Pacific region”.

The encirclement of India by China starts from the north where China directly controls Xinjiang and is growing its grip in Central Asia and unique in this direction is the control on Tibet—being regarded as part of original Great Game. From the western side, another land threat for India comes from the China’s friendship with Pakistan. From the South, the distress comes from the China’s entry in the Indian Ocean with the establishment of base facilities and exploration rights in Sri Lanka and Bangladesh. The discomfort from the east lies with the presence of China in Myanmar and Bangladesh where China has developed base facilities.

Recognising the Chinese activities, India has resorted to strategically respond to China’s threat by enhancing power projection through the building and modernising its military and nuclear capability. India is busy in counter encircling the China both on land and sea though not up to the level as China has done. India has improved its Military infrastructure along its disputed northern border thereby enabling more efficient future deployment of military power. Also India’s efforts are afoot to strengthen its grip over Nepal and to interfere in Tibet by providing refuge to Tibetan government in exile. India has made some amount of military penetration in Tajikistan.

If China has superiority over land, India, of course, has maritime superiority. India has developed maritime infrastructure pretty well. The deep sea port facilities on the south-west coast at Karwar and on the south-east coast some 50 kilometres south of Visakhapatnam will help India to flex its muscles around the Indian Ocean further. It will enable India to more easily cut China’s Sea Lanes of Communication between the Persian Gulf and Straits of Malacca. The building of Campbell Airport on Great Nicobar Island, setting up of Far Eastern Naval Command (FENC), at Port Blair in the Andaman Islands provides a strategic advantage to India. These will help India to overcome the problems of Himalaya’s to operate and strike southern and central Chinese
zones. India’s maritime ties with Vietnam and Singapore and the development of ‘Quadrilateral alliance’ involving US, Japan, Australia and India are considered beneficial to contain China. Noting such a development of power, Daly stated that China must consider the growing naval power of its adjacent military rival, India (Daly, 2004).

**New Great Game in South Asia: China’s Expanding Geostrategic and Geopolitical Foot Print**

China has amply made her presence in the South Asian countries in recent years by taking advantage of their dire need for infrastructure development and their requirement of financial assistance for major infrastructure projects and the exploitation of their natural resources. Now China, an arch-rival of India, has been entering its neighbouring markets more aggressively through aid, trade and investment, economic assistance popularly known as Soft Power. Chinese economic engagement in South Asia has grown quickly in recent years. Trade expanded to $12.29 billion, and the regional trade crossed $111 billion. These increases create opportunities for growth and development as abroaderrange of exports flow from China into the region and Chinese outward direct investment improves infrastructure and creates jobs (Brunjes et al, 2013). This increasing involvement may be detrimental to India’s engagement with these neighbours regarding trade, investment and other bilateral issues.

Amongst the South Asian countries, China has been sharing direct borders with India, Pakistan, Nepal, Bhutan, and Afghanistan. Bangladesh, Sri Lanka. However, Maldives has been geographically detached from China, with no territorial dispute. Typically, China has no contentious issues with the South Asian countries apart from India and a minor with Nepal while India has aborder dispute with many of its neighbours. India’s contentious issues with its neighbourfavoured China to consolidate and strengthen its position in India’s neighbourhood. China’s policy towards the South Asia comprises of a combination of strategic and opportunistic dimensions. China is working vigilantly to achieve long-term strategic objectives and subsequently not missing short-term opportunities that come its way.

**China-Pakistan Strategic Friendship: Proven Reality**

China has prioritised to befriend Pakistan keeping in cognizance the long-term strategic and economic objectives there. The undercurrents of the relationship improved only after Indo-China War in 1962. During the war, the US had supported India, which was considered as a betrayal by Pakistan on the part of US. The souring of US-Pakistan relations gave an opportunity to China to strengthen ties with Pakistan (Kemenade, 1971). Strategically, China believes that the only possible way to avoid military conflict with India is to develop high military capability in Tibet, and a strong Pakistani military capability in the nuclear and conventional fields. This means keeping India entangled in two fronts-west and east. China is singularly responsible for making Pakistan a nuclear power besides continuously arming it with conventional weapons to India’s discomfiture.

China have provided non-stop assistance to Pakistan for developing its nuclear weapons program like nuclear warhead designs and highly enriched uranium (HEU) for almost two nuclear bombs (Mian, 2012). China extended nuclear assistance to Pakistan, with the construction of a 40-Megawatt safeguarded thermal heavy water reactor at Khusab and supplied the 300 MW pressurised water reactor (PWR) at Chashma that gave

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Pakistan the technological capacity to produce more powerful warheads. Such a large assistance to Pakistan is said to have been completely aimed at India. In 2004, China built a second PWR at Chashma under the NSG’s provisions. In March 2010, Beijing’s state companies signed an agreement to supply Chashma 3 and 4, two PWRs of 320 MW capacity in defiance of the NSG norms. In October 2016, The Chashma, Unit-3 nuclear power plant with the power generation capacity of 340 Megawatt has become functional (Kerr and Nikitin, 2016). Nuclear experts rejected this rationale as a “deliberate disregard of international guidelines (Frankel, 2011). U.S. intelligence assessments in January 2011 concluded that Pakistan had deployed nuclear weapons numbering 110, overtaking India and is now on course to become the fourth largest nuclear weapons state ahead of France (Ibid).

China delivered 50 additional JF-17 fighter jets to Pakistan after the death of Osama bin Laden, assisted Pakistan in building its first indigenously built frigate a month later and in August 2011 launched a communications satellite for Pakistan. Along with M-9 and M-11 nuclear-capable ballistic missiles, China helped in transferring Taepo Dong and No Dong ballistic missiles from North Korea to Pakistan. Both nations have jointly developed JF-17 Thunder/ FC-1 Fierce fighter aircraft, the Al Khalid- main battle tank, and anti-tank missiles. The scope for joint production has also created apprehension in India’s security establishment, as it is a cost-effective means of enhancing Pakistan’s military capacity and capabilities. In January 2012, the Chinese Ambassador to Pakistan underscored the country’s strategic importance by declaring it ‘the fulcrum of Asia (Kanwal, 2015). Pakistan and China carry out military exercises every two years and have tested their capacity to conduct operations from a joint command centre, including simulation of large-scale intelligence gathering by Chinese and Pakistani troops, and search-and-destroy missions.

China’s deliberation to develop Pakistan economically is intended to keep Pakistan stable and to avoid terror fallout into the Chinese territory of Xinjiang and access to the crucial maritime routes to secure China’s energy deliveries through the Strait of Hormuz and the Persian Gulf and to get access to the energy resources in Pakistan particularly in Balochistan province. The latter would also allow China to expand its energy routes by bypassing Indian and US influence in the Indian Ocean and the South China Sea. Also, assistance to Pakistan keeps perceived Indian ambitions in check, as Indian and US observers become more concerned about Chinese maritime ambitions regarding the ‘String of Pearls’.

China is largely interested in Pakistan’s trade and energy corridor, from the Gwadar port of Pakistan to the Western regions of China, that would connect China with oil routes in Western Pakistan. Pakistan consented the entry of around 7,000 to 11,000 Chinese workmen in Pakistan administered Kashmir, and Gilgit-Baltistan region. They are engaged in the construction of a high-speed rail and road link from eastern China to the Chinese-built naval port of Gwadar in Baluchistan, east of the Persian Gulf (Harrison, 2010). An agreement was signed in 2007 between Pakistan Railways and China’s Dong Fang Electric Supply Corporation for linking Havelian and Khunjerab (Haider, 2007). Better rail connectivity within Pakistan will provide faster access to energy-rich Central Asia and the Persian Gulf states for China. On 20-21 April 2015, China’s president Xi Jinping arrived in Pakistan and signed 51 MOU and projects worth $46 billion dollars in the fields of security, infrastructure, energy, and wider economic development. Among these, $34 billion are to be invested in energy and $12 billion in infrastructure projects. An estimate of $15.5 billion would be spent on coal, wind, solar, and hydroelectric projects. Out of the total 51 agreements signed, 31 relate with the construction of China-Pakistan
Economic Corridor (CPEC) connecting China's Xinjiang autonomous region to Gwadar Port on the Arabian Sea (Haider, 2015). The CPEC consists of rail, road and pipelines to transport oil and gas from Gwadar port on the Arabian Sea to Kashgar in China's Muslim-dominated Xinjiang province through PoK. This route can be used as an alternative route over the pirate-prone Strait of Malacca route through which China currently transports most of its crude oil imports.

Between 2004 and 2009, China's cumulative bilateral assistance to Pakistan totalled $217 million an average of $36 million per year (Wagner, 2011). As of 2011, China provides financing to Pakistan in the form of grants, concessional loans, preferential buyer’s credit, and export and buyer’s credit, amounting to $1.75 billion. The current level of Chinese development assistance to Pakistan is around US$21 million. By 2010, it was estimated that the total Chinese investment in heavy engineering, power generation, mining, and telecommunications was around $15 billion. The strengthening of the China-Pakistan alliance in scores of bilateral agreements, pacts and MOUs for cooperation in space, defence, technology, infrastructure and trade was on climax during Premier Wen Jiabao’s visit to Pakistan in December 2010. Wen considered the relationship as going beyond bilateral cooperation to exert influence on broader regional and international issues (Kronstdet, 2009).

China’s Strategic Foothold in Bangladesh

China and Bangladesh established diplomatic relations four decades ago. China and Bangladesh have deepened their bilateral cooperation in areas such as investment, trade, defence, and infrastructure development. Important accords were signed during Prime Minister Khaleda Zia’s visit to China in 1995, regarding Chinese assistance in the development of gas and energy resources, and management of water resources (Kibria, 2006). Three treaties and a Memorandum of Understanding were signed during Prime Minister Khaleda Zia’s visit to China in December 2002 covering military, economic, and technological cooperation between the two countries (Aneja, 2006). During the period, 12 projects worth US$21 million were recorded. China built six bridges in Bangladesh, the important one is 4.8 km-long Mukhterpur Bridge over the river Dhaleswari, inaugurated on February 2008 (Rashid, 2011). The agreement to build the 7th China-Bangladesh Friendship Bridge at Kajirtek in Madaripur was signed in January 2012 and the consultations are ongoing about the 8th China-Bangladesh Friendship Bridge (Islam, 2013). Bangladesh was offered Taka 6 million in free aid when Chinese Foreign Minister Dr. Yang visited Bangladesh in 2008 for development and Taka 5 million in “token gift” to mark his visit (Daily Star, 2010). Peaceful Usage of Nuclear Energy was signed, whereby China would assist Bangladesh in the peaceful development of nuclear energy for power generation, medicinal and other developmental uses.

Bangladesh depends heavily on China for its defence requirements. Also, China sees its foothold in Bangladesh as part of its quest to establish its power profile and as a means to challenge India. This quest leads China to play an active role for Bangladesh in providing military hardware and training to its armed forces. In 2002, China and Bangladesh signed an important defence agreement to meet Bangladesh’s defence requirements. The agreement was perceived as an insurance policy for Bangladesh in the India-specific context. It
was also well understood that China would get a strategic foothold on India’s Eastern Edge in Bangladesh (Kapila, 2003). According to a report submitted by China to the UN Arms Transfer Register (for the first time in nearly ten years) in 2007, China appeared to have made substantial arms supplies to Bangladesh making Bangladesh that year the prime purchaser of weapons made in China. These included, 65 large calibre artillery systems, 16 combat aircraft, and 114 missile and related equipment, (Samantha, 2007). In March 2006, China donated police equipment to Bangladesh as part of the cooperative effort between the Home Affairs Ministry of Bangladesh and the Public Security Ministry of China. China also sold 16 F-7 BG fighter planes to Bangladesh. Chinese origin military hardware in Bangladesh include T-59, T-62, T-69 and T-79, armoured personnel carriers (APCs), artillery pieces, small arms and personal weapons. Bangladesh also acquired 155mm PLZ-45/Type -88 (including the transfer of technology) and 122mm Type-96 as well as MBRLS from China (Rao, 2010).

However, according to analyst Arnold Zeitlin (2005) “It is common knowledge among diplomatic circles in Dhaka that the army is not happy with the quality of Chinese arms and it is equally well known that it cannot find other goods as cheap as from China. Bangladesh has turned to China almost out of necessity and China is happy to respond and reassert its strategic presence in South Asia.

Bangladesh Navy also keep wide-ranging Chinese wares. These includes Chinese 053-H1 Jianghu I class frigates with 4x HY2 missiles, Huang Feng Class missile boats, Type-024 missile boats, Huchuan and P-4 class torpedo boats, Hainan class sub chasers, Shanghai class gun boats and Yuchin class LCUs (Rao, 2010). China is helping Bangladesh to develop deep-water ports at Sonadia Islands funding 99% of the project and Chittagong port. Bangladesh set up a missile launch pad near the Chittagong Port with assistance from China, where initial test flight was carried out on May 12, 2008, with the collaboration of Chinese experts. Land attack anti-ship cruise missile C-802A was test-fired shortly afterwards from the frigate, BNS Osman near Kutubdia island in the Bay of Bengal. In Nov. 2016, China also provided type 035G class submarines to Bangladesh for US$ 203 million (ecan Chronicle, 2016). In March 2014, two new navy frigates – Abu Bakar and Ali Haider were commissioned from China. Bangladesh acquired two diesel-electric submarines from China on November 14, 2016. After their entry into the service in 2017, they will become the first and only submarines in the Bangladeshi navy (Sputnik News, 2016). Bangladesh is being highly valued by China for its vast natural gas reserves which can be accessible to China through Myanmar with the help of pipelines. China has been granted exploration rights by Bangladesh for developing its natural gas fields at Barakpuria, which contain about 390 million tonnes over an area of 6.69 square kilometres (Niazi, 2006). In December 2011, local and Chinese joint venture firm Orion-Long King got the contract from Bangladeshi government to build three coal-fired power plants that will generate a total of 1,087.34 MW of electricity. The consortium will build one 522 MW coal-fired power plant at Mawa in Munshiganj, and two others in Chittagong and Khulna with a generation capacity of 282.67 MW each (Misa, 2012).

Chinese intentions and engagement with Bangladesh depict its valuable strategic position. China grabbed the opportunity as Bangladesh became conscious of security threats like piracy, natural disasters and felt the need to develop the infrastructure for which China happily consented and entered in addition to other spheres, the maritime sphere of Bay of Bengal by taking modernisation work of Chittagong port. Bangladesh is benefitted as her 80% imports come through this port, and China’s benefit lies in gaining access to IOR and to counter the growing Indian and US influence in this region. Further, the ramifications of China’s engagement

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could be judged from the fact that in the event of a major Sino-Indian military conflict, China from Tibetan Chambi Valley could sever off the narrow Siliguri Corridor, which separates Nepal from Bangladesh only by a few miles. The fall of this vital Indian land Corridor could totally cut off India’s resentful eastern states from the rest of the world. It thus seems natural that China would be interested in maintaining close relations with Bangladesh, keeping in mind its record of antagonism with India. In fact, this strategic reason was one of the primary reasons, why China developed a long-standing partnership with Pakistan. While Sino-Indian relations are much friendlier than before, relations between the two neighbouring giants are likely to remain antagonistic in nature because of the outstanding unresolved bilateral issues. This reality creates an opportunity for both these countries to develop a strategic partnership and take the relationship to a new height.

**China Outfoxing India from Nepal**

China’s engagement in Nepal takes a variety of forms: economic investment, trade, aid, infrastructural development, military assistance, diplomatic exchanges, as well as cultural and educational initiatives. China’s strategic objectives in Nepal include to neutralise and eliminate Indian influence, secure China’s borders by ensuring that the Tibetan refugee population is effectively restricted, and recover what it considers as one of its lost territories seized by imperialists. The Tibet factor is the foremost cause of interest of China in Nepal. In the beginning, the diplomatic relations between the two moved with great stability and speed. In the first phase (1955 to 1989) of the relations, China’s motive was to create infrastructure in Nepal and to protect its territory from any other country. At the first anniversary of Kathmandu-Lhasa road agreement, in October 1962, Chinese foreign minister Chen Yi said, “I assure His Majesty, King Mahendra, His Majesty Government and the Nepalese people, that in any case, any foreign forces attack Nepal, we Chinese people will stand on your side (Muni, 1989).

China has also dramatically increased its aid to Nepal in recent years. Based on official Government of Nepal (GoN) statistics, Chinese aid to Nepal increased from 10 million Nepal Rupees (NR) (US$128,200) in fiscal year 2005/6 to NR 2.55 billion (US$32.5 million) in 2010/11 (Campbell, 2012). China had reportedly pledged loans and grants worth more than NR 10 billion (US$127.4 million) by August 2011 (Ibid). It included a sizeable concessional loan of about 7 billion for the Trishuli hydro-power construction and US$19 million for assistance to the Nepal Army. When a high-ranking Chinese delegation visited Kathmandu in August 2011, they signed an additional US$50 million economic and technical co-operation agreement, including a loan for a hydropower transmission line and US$2.5 million to strengthen the capacities of the Nepal Police (Ibid). China now reportedly figures in the list of Nepal’s top five development partners.

In June 1984, it agreed to build a second trans-Himalayan highway, linking the city of Pokhara with the Xinjiang-Tibet highway. China has already initiated the construction of a rail network connecting Tibetan capital of Lhasa with the market town of Khasa on the Sino-Nepal border and this 770 km projected Lhasa–Khasa rail link is an extension of the world’s highest railway, which runs between Goldmund, a city in China’s Qinghai province and Lhasa. This is an immensely costly (US$1.9 billion) and long-term project. The project was planned to be completed by 2013, and is expected to follow Lhasa- Kathmandu Friendship Highway route. The Chinese scheme of proposed rail link aimed at improving its transport infrastructure in the isolated Himalayan region and is likely to strengthen Nepal's strategic and economic engagement with China and reduce its dependence on old traditional friend India (Ramachandran, 2008). Chinese plans are not limited to railways

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but include the plans for six additional highways to link up with Nepal, the development of cross-border energy pipelines and optical fibre. There is another Chinese proposal too to extend the Goldmund-Lhasa line to Nyingchi, an important trading town north of the Indian state of Arunachal Pradesh, at the tri-junction with Myanmar. From Nyingchi this rail link is further scheduled to link up to Dali in Yunnan province. Extension of this rail link up to Dali will complete the circuit of the Chinese national rail network. Moreover, connecting it up to the existing western railway network will grant strategic as well as economic benefits to China. From Chinese Military point of view, this Lhasa-Nyingchi-Dali route is significant as it runs in an east-west direction almost parallel and quite close to the Arunachal border, means quick and easier deployment of themilitary along the Sino-Indian border (Arya, 2008). Besides the construction of the railway connecting Lhasa to the Nepali border, China is involved in several other major transport projects in Nepal, such as the expansion of the Kathmandu ring road and the development of a dry port at Tatopani near the border with Tibet (Regmi, 2010).

In September 2008, China invited the Nepalese defence minister Ram Bahadur Thapa as an observer to the military exercise ‘Warrior 2008’, and during his meeting with China’s defence minister Liang Guanglie, China announced a military aid package of $1.3 million to Nepal (Kumar, 2011). In December 2008, Lieutenant General Ma Xiaotan of the PLA pledged $2.6 million in non-lethal military aid to Nepal during a visit. The visit of General Chen Bingde, Chief of General Staff of the PLA in March 2011, symbolised the growing relationship between the armies of China and Nepal. General Chen announced a military assistance package worth US$17 million from the PLA to the Nepalese Army, with assurances of more support to come. The Chief of Army Staff (CoAS) of Nepal also paid a visit to Beijing in November 2011. Initially an agreement worth US$7.7 million was signed between the two army chiefs (Pradhan, 2011).

China- A Reliable Partner of Sri Lanka

Chinese has been making efforts to build and enhance their strategic influence in Sri Lanka. China has emerged as the biggest donor of Sri Lanka. The Chinese assistance to Sri Lanka increased fivefold to nearly $1 billion, by overtaking Japan in 2009 (Kumar, 2009). China’s 2010 and 2011 annual investments were highest in Sri Lanka, where Chinese firms have completed, or are in the process of completing some large-scale projects. These projects span multiple sectors, including investments in transportation. Many large projects have been conducted in Hambantota, the home province of President Rajapaksa. These projects include a 35,000-seat cricket stadium, a large convention centre, a $209 million international airport, and a $1.4 billion deep seaport located on strategic sea-lanes (Brunjes et al., 2013).

China pledged to provide 85% of funding for the development of first phase of Hambantota port in Sri Lanka where China is supposed to develop facilities like shipbuilding, bunkering, crew changing and ship repairing. This phase was completed in 2014. China also worked on 610m oil dock, dredging of a 210m wide entrance channel, two breakwaters, excavation of 17m deep basin area, a 600m turning circle, a 600m general purpose berth, a 105m service berth, and roads and associated buildings. There were negotiations to accelerate the work on the second phase which costs $750 million. Once this three-phase project is completed, it will become the biggest port on South Asia with 4,000 acres of service part that can accommodate 33 vessels at a time (Adaderana News, 2016). In March, 2016, the two countries announced the resumption of a 575-acre controversial project worth US$1.4 billion project, the Colombo Port City, that was suspended over the issue of irregularities in the contract arranged by Sri Lanka’s previous administration (Watson, 2016).
Over the years, the Chinese presence in Sri Lanka has increased so much so that there is no major infrastructure project in which the Chinese have not invested. It is estimated that China was Sri Lanka’s biggest source of foreign funding in 2009, providing $1.2 billion. (Das, 2010). The projects in which China has invested include an oil-storage facility, a Mathala airport, Colombo South Harbour Expansion project, the Narochcholai coal-fired power plant and Katunayake-Colombo Expressway. It is also rebuilding the main roads in the war-shattered north and east, and constructing a modern performance arts centre. It has also sold diesel railway engines and earth moving equipment. China provided anti-aircraft guns, Type-85 heavy and Type-80 light machineguns, Jian-7 fighter jets, 152mm howitzer, Type-56 rifles, 81mm mortar shells, RPG-7 rockets and other required amounts of ammunition (Manoharan, 2014).

Chinese policies vis-a-vis Sri Lanka are part of its greater strategy for building an encircled network of road and port connections in India’s neighbourhood, in order to strategically create dominance over the IOR. The threat perceptions among Indian circles have grown in view of China’s more active involvement in South Asia especially the construction of Sri Lanka’s southern port (Hambantota) which India fears that China will use it against India. India is worried that Sri Lanka is maintaining close links with China. The matter of concern for India is that there is the possibility of dual-use of these infrastructure projects. For instance, China is allowed to have storage and fuelling facilities at Hambantota, although India has also been offered to enjoy the same facilities. Similarly, the Colombo port that handles about 70 percent of India’s shipping is being modernised with Chinese assistance. So there are possibilities that China in future can turn these projects to India’s disadvantage in a conflict situation.

**China’s Footsteps in Maldives**

As Maldives is strategically located southwest of India across major sea-lanes in Indian Ocean Region, India’s concerns appeared with regard to Maldives when in 2011, China established its embassy there. According to Indian officials, Beijing has stepped up its plans to secure some more crucial development projects in the island nation which has some 1190 islands located there. Indian policy analysts invented and implemented the term “creeping expansionism” which refers to China’s soft power rise throughout South Asia.

Trade between the two countries has gradually increased. In 2002, Sino-Maldives trade volume reached $US2.977 million, out of which China's exports accounted for $US2.975 million and imports $US2000 (China Daily, 2009). In 2010, bilateral trade between the two countries reached $US64 million, which is 56 percent increase from 2009.

China has actively participated in the Maldives infrastructure construction and other projects. On September 2, 2012, three agreements were signed between the two Governments providing for Chinese assistance worth US $ 500 million (Raman, 2012). In 2013, the Chinese government provided 50 million Yuan (US$8.2 million) in grant aid to the Maldives government for the execution of developmental projects and the improvement of public services. (Robinson, 2013).

China is boosting its domestic companies to contribute to infrastructure building in the island state by means of offering preferential loans. In 2012, Maldives Defense Minister requested to China for a soft loan of Rs 250 crore for an IT infrastructure project. This does not came as a surprise for India because Maldives-China tie-up had been observed earlier also when Chinese companies signed two MoUs in mid-2011. The MoUs were signed
between the Huawei Technologies (Lanka) Co. Ltd of China and the National Centre for Information Technologies, Maldives, to develop the IT Infrastructure in Maldives under the 'Smart Maldives Project (Joshi, 2013). Commenting on such a development, the Research and Analysis Wing (RAW) (2012) has alerted that China can use listening devices to monitor/intercept any communication carried between India-Nepal and India-Maldives.

China has expressed its desire in developing the islands of Ihavandhoo and Maarandhoo with trans-shipment ports. China wants a presence in these islands since they are the closest to India and Sri Lanka. The security agencies here have repeatedly been saying that the 'Marao Island' which was leased by Maldives to China in 1999 for maritime traffic management was also being used by the Chinese to monitor Indian and US warships in the Indian Ocean, and in future could be developed into a submarine base. China's main aim is to ensure the security of its sea-lanes facilitating its critically-needed energy imports. But the fact can't be denied that it also amounts to a virtual encircling of India, in what is called the "string-of-pearls" strategy (Pandit, 2011).

Maldives signed a military aid agreement with China when Defence Minister Mohamed Nazim visited China on December 10, 2012. Nazim held talks with his Chinese counterpart which focused on Chinese military assistance to developing the Maldivian military. The agreement to mature military ties and provide free Chinese aid to the Maldives National Defence Force (MNDF) was signed at the meeting. Maldives National Defence Force (MNDF) has revealed that the military agreement signed between the two would yield USD3.2 million in free aid. Defence Minister Nazim also met the Vice Chairman of the Chinese Central Military Commission, Xu Qiliang, and discussed solidification of Sino-Maldives military ties (Naish, 2012). The visit was followed by the abrupt termination of a 25-year concession agreement with Indian infrastructure giant GMR to modernise and manage the Ibrahim Nasir International Airport (INIA). The Indian media blamed for Chinese role in the government’s decision to void the agreement and evict the GMR-led consortium. No doubt, the Maldives has ruled out any foreign hand in the entire airport mess but Waheed’s coalition partner, the Adhaalath Party had stated that Maldives would rather give the airport contract to their friend, China. China already having a base in the Seychelles and growing proximity with Maldives would be a severe blow to ultimate Indian power in the region. According to one Minister of Economic Development Mohamed Saeed, investment from China will help to increase the passenger handling capacity of the Airport and the construction of a second runway.

Both the countries presidents exchanged visits in 2014 and committed themselves to construct the 21st century Maritime Silk Road (MSR) thus to benefit both the countries and their peoples. The visit by Xi Jinping resulted in signing the agreements like MoU on promoting Male-Hulhule bridge project construction, MoU on health cooperation, MoU on Foreign Ministries Cooperation, Agreement on Establishing JCTEC (Fukang, 2015).

India's Geo-political Outfoxing: South Asia as a Concern

The strategic proximity to China with India’s neighbours has increased particularly after the Sino-Indian war of 1962. China’s every move to consolidate its position in South Asia has created concerns among Indian circles and India should worry now if we check the recent developments of China in India’s neighbourhood. The biggest, prime and grave concern lies in the fact that support of China to Pakistan is unfathomable. As the
history of Indo-Pakistan relations is known to the whole world being fractured, full of suspicion and antagonism, war fearing atmosphere and mistrust. The recovery and relief of relationships seems a distant reality and even unimaginable. Trade relations are peak lower than rest of the neighbours, diplomatic fields deserted and defence engagement not even in fractions.

Analysis of China’s involvement in Pakistan shows that there is hardly any field where China is not fashioning Pakistan-all to the discomfort of India. Transfer of sophisticated military equipment, nuclear technology, strategic infrastructural projects like $46 billion China-Pakistan Economic Corridor, and the much debated Gwadar port which has recently started operations with Chinese ships docking at Gwadar to carry the first containers brought by a Chinese trade convoy from Xinjiang for despatch to the world market in Nov. 2016. The Port of Gwadar will serve both Geo-economic and geostrategic purpose for Pakistan and China. On the one hand, both countries will reap the benefits of trade with other nations, and on the contrary, there may be the creation of some 70 lac jobs, and more particularly, the naval capability of Pakistan will be boosted. For China the job is now quite easy to station its naval forces on the port means a greater degree of China’s presence in the Indian Ocean as was predicted by India’s security analysts from time to time. Bhadrakumar (2016), argues that reports from Pakistani officials surfaced that China proposes to deploy its naval ships in coordination with the Pakistan Navy to safeguard Gwadar port. So the kind of fear factor predicted by India’s analysts about China’s involvement in the project has now taken a concrete shape. Moreover, the CPEC project is highly significant for Beijing because it will help China to carry the oil supplies arriving from the Persian Gulf to the port of Gwadar and channel it through the pipelines to western China. Accordingly, with a transport route some 6,000 miles shorter, China will be able to save billions in terms of transportation costs and time.

Some of the infrastructure of CPEC passes through the Pakistan Administered Kashmir, a territory which India claims from Pakistan. These developments further complicate the things for India. The situation further looks gruesome as Pakistan recently approved Russia’s request to use Gwadar port as per the desire shown by Russia who wanted to be part of CPEC. This means the ties between the three countries would be strengthened significantly. Not to stop here, Iran’s President Hassan Rouhani in a meeting with Prime Minister Nawaz Sharif on the side-lines of the UNGA also expressed a desire to be part of the China-Pakistan Economic Corridor (CPEC) as both leaders expressed satisfaction over the positive trajectory in Pak-Iran bilateral ties. Here arises another distress for India as its intended investments in developing the port of Chabahar to neutralise China’s Gwadar presence seems to be losing credibility given the Iran’s decision to keep Chabahar open for Pakistan and any other regional country.

Bangladesh is the next hot spot of concern where China is gradually replacing India in almost every dimension ranging from strategic to commercial, from energy security to infrastructural. Let us take the case of trade relations. Statistical data of 2013-14 shows the bilateral trade volume between India and Bangladesh stood at USD 6.6 billion (Yadav. et.al, 2016). While as it stood at a record high of USD 10.3 billion between China and Bangladesh with a growth rate of 21.9 per cent in 2012, ten times that of 2002 (Wahid, 2015). Since 1991, India’s exports declined continuously, which stood at 150% more than China in 1991 but fell 30% by 2010 (Sahoo, 2011).
No doubt India still leads the ground in Bangladesh, but China is chasing the target very swiftly. One recent move of China is the visit of Xi Jinping to Bangladesh in October 2016. According to Paul and Blanchard, in response to India’s $2 billion credit line during a visit of Narendra Modi to Dhaka, China this year (2016) signed off loans worth over $24 billion (2016). The recent sale of Submarines by China to Bangladesh has alerted Indian establishments. Admiral Prakash of Indian Navy stated that, the sale is a step in a long-standing Chinese policy of encircling India with client states who are dependent on China (Gupta, 2013). According to Khurana (2016), India Navy Captain and Executive Director at Indian Maritime Foundation, "Beijing's overarching intent behind the sale of submarines would be to go beyond strengthening political ties with Dhaka. The long-term submarine training and maintenance needs of the Bangladesh Navy would also enable China's military presence in the Bay of Bengal, and enable it to collate sensitive data for PLA Navy's submarine operations in the future. Another critical factor which irks India is the China’s securing of exploration rights in Barakpuria coal mines and approval to develop Port facilities at Sonadia Islands which is directly linked to China’s grand strategy for the Indian Ocean.

The first phase of the Sonadia Islands deep water port project was completed in 2015 with 99% of funding by China. China believes that this will serve as another Gwadar by having access to Bay of Bengal giving high voltage headache to Indian defence establishment. Strategically, Bay of Bengal is ideal for India to choose for a second strike capability which is the characteristic part of India’s strategic-military doctrine that will ensure the best assurance for retaliation. But on the other hand, If China’s Sonadia Islands plan succeeds then, India will have to recount and realign its strategic plans and readjust its naval deployment pattern in the whole of Bay of Bengal. For Bay of Bengal emergency, China has already opted for development of Chittagong Port.

The relations between India and Sri Lanka are much better on most of the fronts, but China is slowly making its way deeper. There is no doubt that India has emerged the largest trading partner of Sri Lanka and leads with a significant margin but the gap is gradually shrinking. China has also bagged a leading role on many fronts as FDI, aid donations, and fast implementation of infrastructure projects. India’s trade with Sri Lanka totalled US $ 4.6 billion in 2014, while China’s total bilateral trade crossed $4 billion in 2015. This means that the gap is near to disappear in the future if China maintains the same pace. Further, By 2014, Chinese FDI in Sri Lanka was estimated at a whopping 405 million USD, while the Indian contribution was a scanty 4.3 million USD. Chinese aid donations in Sri Lanka also far exceed than India which stood at $308.92 million against India’s $142.85 million. The most alarming for India are the Chinese projects- the port in Hambantota at Sri Lanka's southern tip, built at the cost of around $360 million, with 85 percent funding from China's Export-Import Bank and a $1.4 billion port city in Colombo, initiated in 2014.

India is deeply resenting the close ties between China and Sri Lanka. Sri Lanka’s support towards China’s maritime silk route initiative has been seen as a threat to India’s strategic interest in the Indian Ocean and an attempt to encircle India. The fact is that India has not enough resources to compete China though India has astrategic edge over China in Sri Lanka because of its geographical proximity, cultural and historical linkages, and people-to-people contact. India has failed to exploit these opportunities to its advantage and the projects undertaken by India does not match the speed of implementation as that of China. Sri Lanka’s leaning towards China can also be judged from the fact that it is going through an economic crisis for which it cannot ignore the lucrative packages of China.
Despite India’s wide-ranging engagement with Nepal, the Chinese involvement in Nepal is focused, security oriented and based on the design of balancing. China’s core interest in Nepal has been manifold which include to restrain any anti-China activities by the Tibetan refugees present in Nepal and to increase its influence in the India–Nepal border and the Terai region, to end Nepal’s overdependence on India and to weaken India’s hold on Nepal. Noteworthy developments in China come along the border with Nepal, China and India. China’s road and rail network in Tibet inches towards the disputed Sino-Indian border. The Golmud-Lhasa railway line was inaugurated in 2006, and is being extended to Xigaze, and also to Yatung, a trading centre that is just a few kilometres from Nathu La (Arya, 2008). China concluded a 253-km long railway line extending the Lhasa line to Xigaze, a city of Tibet which is closer to the Nepalese border. China is planning to build a tunnel under Mount Everest, called Qomolangma in Tibetan, as part of its plan to extend its rail link to Nepal. The Nepal rail project from Lhasa to Nyingchithat is scheduled to be completed by 2020 will reach the Indian border. In May 2016, alarm bells ringed in Indian establishment when a freight train from China with 86 cargo containers left for Nepal. According to Indian observers, the freight train is another manifestation of China’s play game with the government of Nepal against India. In May 2015, the Chinese government published a White Paper on Defence, putting forward new objectives for the People’s Liberation Army (PLA). About strategy, it illustrated the Chinese military’s missions and strategic tasks in the new era. The Global Times in this regard announced in 2016 that, the status of the Tibet Military Command (TMC) facing India from Arunachal Pradesh to Ladakh was to be raised. Zhongping, a Beijing-based military expert, told Global Times that the TMC has great responsibility to prepare for likely conflicts between China and India because currently, it’s hard to secure all the military resources they need. All these projects have serious strategic implications for India, as the infrastructure built on the Tibetan plateau has a dual purpose to serve both civilian and military purpose.

India’s planning of repairing damaged border roads and to construct new roads and railway lines are running behind schedule for completion. Some infrastructure projects are not only missing completion deadlines but also failing to move beyond the paper work. Rajagopalan, observes a stark difference in infrastructure on both the sides of India and China. He pointed some tremendous improvements made by China over the past decade in connecting the LAC to the rest of the country. He observes that Tibet has a 40,000 km road network that run up to the LAC, unlike roads on the Indian side, which stop 60 to 80 km short of the border (Ramachandran, 2014). Former Indian foreign secretary and ambassador to Nepal Saran argues that instead of repeating the alarmist “Chinese are coming” refrain, India should act pragmatically as to how it can “consolidate” its geographical advantage. The Indian should respond with the border infrastructure much more seriously against the Chinese expansion (Kumar, 2016). Lama, a professor at Jawaharlal Nehru University (JNU), noted that New Delhi changed its mindset towards developing neglected border regions only around 2005. Since then, the pace of development is disturbingly slow and acutely dangerous for the country. Also, India’s economic blockade in response to force adomestic political change in Nepal is likely to hurt India’s long-term goals, as it forces Kathmandu to reassess and rethink its overdependence on India. The reaction of Nepal to India’s attempt to force constitutional reforms in Nepal will bring a shift towards Beijing and away from Delhi as China enjoys a reputation for non-interference in internal affairs of a country. India has almost opened up a space for China by the unnecessary act of economic blockade to Nepal which China can also highlight as an act of aggression in the whole of South Asia to diminish the image of India.
China’s engagement with Maldives is directly linked to its Indian Ocean strategy where China wants to secure its energy import routes and to further solidify its presence in India’s backyard. India has turned uneasy with the growing relations between the two countries. While India still leads the trade volume figure with Maldives that stood at US$ 125.4 million in 2013-14 which more than China’s trade figures that stood at more than US$100 million in 2014. The inclusion of Maldives as part of China's Silk Road project, and China’s infrastructure developmental projects like the Ihavandhoo and Maarandhoo Islands, with transhipment ports, bridge connecting Male to Hulhule-the island where the Male International Airport is located, Termination of the contract of modernisation of the Ibrahim Nasir International Airport with Indian company and its subsequent approval to China, are considered as alarming by the Indian establishments. Further, investment at mass scale means that China is legitimising its effort to maintain a military presence in this region. India in such a situation needs to expedite its efforts to increase cooperation with this nation and maintain a balance.

Conclusions

The investigation amply proves that South Asia’s Strategic importance is continuously growing in China’s strategic calculus and is penetrating deeper with all-out efforts to achieve its critical objectives. India’s strategic position and power potential to dominate the sub-continent have immensely influenced China’s policy projections towards South Asia. There has emerged a fierce competition between India and China in the region to achieve a dominant and influential status with one overtaking other and vice versa. Both are heavily involved in making large investments and building infrastructure in the South Asian countries. Both the countries are proactive in grabbing the opportunities to establish a benign image in the region. China has undoubtedly got the upper hand as compared to India as far as strategic competition with South Asian countries is concerned especially in grabbing the strategic projects development, heavy hand in aid and investments, defence deals and other supplies. This became solely possible because India’s disputes with its neighbours and their negative perception with regard to India. So China remains an easy option for India’s neighbours to play its card against India and balance the threat perception which they feel from India and its status in the region. Further, China is preferred over India because it has reputation of non-interference in internal affairs of other countries. Also, China’s economic strength and lucrative packages that too with soft conditions attached, has made it a favourable choice for India’s neighbours to stuck big deals whether in infrastructure development, aid, trade or investment. India itself played dull in dealings with its neighbours that provided the enough space for China to play against India. The current situation demands India to work thoughtfully and judiciously in her policies towards neighbours to consolidate her position that India desires in the region.

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