

## CHAPTER – 6

### IMPLICATIONS FOR INDIA

*“Let China sleep, for when it awakes, she will shake the world.”*

*Napoleon*

Well, China is awake – bright awake!!

It has been adequately established that China under Xi Jinping's leadership is no longer content with its stature as one of the emerging world powers. There are enough noises & signs to convey that China seeks a larger role & a higher pedestal on the world stage. The conceptualisation of the 'China Dream' & articulation of 'core interests' in conjunct with rolling out of the 'One Belt One Road' initiative which itself has grown out of her 'regional peripheral policy' are object manifestations of her desires & ambitions.

China's rise will not be without a cost to her neighbours & rivals. India fits the bill on both counts. It is therefore only right that we examine the implications of China's regional peripheral policy on India.

#### Implications

##### *Restructuring of The World Order*

In her new avatar, China seeks to displace US as the pre-eminent power in Asia-Pacific region. For that China is attempting to redraw relationships &

alliances by wooing countries away from the US embrace (eg Philippines, Malaysia, Pakistan). In addition, there is an unlikely thaw in the previously frosty relations between China & Russia with the common intent to limit US hegemony in the region. Yet another unexpected development is the new found Russian fondness for Pakistan ostensibly at the behest of China. These developments are detrimental to Indian interests.

As far as US is concerned, there have been some varying signals. They have been vocal on South China Sea, largely indifferent to OBOR & willing to work with China in Afghanistan (Quadrilateral Group) to the exclusion of India. However, since the taking over of US presidency by Mr Donald Trump, there is suspense over the direction that US foreign policy will take. Given his track record, it is unlikely to be business as usual.

### ***CPEC & the Sino-Pak Axis***

China-Pak friendship was in fact founded on their common enmity towards India immediately after the 1962 Sino-Indian war. It has since grown stronger over the years much to India's chagrin. Evidently, the immediate and obvious Chinese aim of strengthening this axis is - hyphenating India with Pakistan and thus limiting it to a South Asian context. For decades, this nexus was largely limited to *political & nuclear* domains alone with China working for Pakistan's interests with activities like blocking India's entry into NSG, vetoing the proposal to proscribe Massod Azhar as an international terrorist by UNSC, supplying nuclear & missile technology in violation of international norms.

However, with the advent of CPEC, the depth & scope of their alliance is expected to grow & by implication so will India's challenges.

From the strategic standpoint, China has gained overland access to the Indian Ocean Region (IOR) with the distinct possibility of an overseas naval base at Gwadar to boot. Such an eventuality will give a significant boost to China's maritime presence & capability in the IOR in general & the Arabian Sea in particular.

Militarily speaking, any major upgradation in the transit infrastructure has implications in the form of speedier & more efficient movement of military forces & logistics within Pakistan as well as from China to Pakistan to the detriment of India. Also, creation of China owned assets on Pakistani territory impedes India's strategic options inside Pakistan somewhat. Furthermore, Pakistan has been a major & regular beneficiary of military hardware from China. However, given the latest developments, India should now be prepared to see a larger quantum & additional variety of military hardware coming to Pakistan as inducements to further China's maritime interests at Gwadar

Politically, passage of CPEC through POK cements Pakistan's claim over this region as against India's.

### ***Indian Ocean Region***

India's unique geographical disposition gives us immense advantage in the IOR where we along with the US are the main naval forces at play.

Maritime Silk Road (MSR). Rolling out of the MSR brings the Indian Ocean firmly into Chinese focus. Her overtures in the region are not hidden & have often been described as 'string of pearls'. China is expanding her relationship with many countries in India's neighbourhood, wooing them with investment & military aid (cheque-book diplomacy). Besides long term ally Pakistan, this includes Bangladesh, Myanmar & Sri Lanka. As she grows her trade & ties in the region her reliance on SLOCs for movement of energy & goods will accentuate further giving her enough excuse & reason to upgrade her naval presence in Indian Ocean thereby challenging our existing dominance in turn raising potential for rivalry & conflict.

South China Sea (SCS). The changing contours of China's SCS policy are a matter of concern. Though it has shown dexterity, her willingness to demonstrate military power is a clear & disturbing signal of her belligerence, especially, when seen in light of her refusal to accept the International Arbitration Court's award that went against her. While China here is engaged in a power play mainly with US & Japan, the issue is of great importance to India for two reasons; *one*, the quality & robustness of US response will give a fair indication of its appetite to play out the power game with China; *two*, at stake is the freedom of navigation on high seas & over flight rights in international air space where India is also an affected party.

Maritime Power Projection. Inclusion of "open seas protection" as part of PLA Navy's role is not an innocent move. This is meant to give legitimacy to any aggressive or coercive move that China may take on high seas. India has abiding interests in the IOR as well as the South China Sea region.



Tensions already evident in SCS may affect these interests. Clash relating to maritime power projection is a potential flash point.

### ***Core Interests***

The ambiguity & propensity to widen the scope of 'core interests' is a deliberate ploy to afford China a certain flexibility which in turn can be used to modulate, define & justify actions against countries. As was brought in Chapter-4, Defence White Paper-2013 clearly indicates that '*overseas interests*' are national interests and must be safeguarded as they are necessary for supporting China's *economic and social development*. Will China include IOR in the 'overseas' category is a moot point which has serious ramifications for India amongst others as they must be then safe guarded as well. In the given context, the other issue that will bother India is if & when China declares Arunachal Pradesh as a 'core interest'. After all we are the only neighbour with whom China has not settled a land border dispute & continues to be intransigent. Quite clearly, China wishes to retain the dispute as leverage to be used at a time & opportunity of her own choosing.

### ***Economic Fallout***

China is amongst India's largest trading partners though with an imbalance skewed in former's favour. Nonetheless, India remains in need of Chinese investment especially in the infrastructure & manufacturing sectors to sustain growth & create jobs. India's reluctance to join OBOR & China's single-minded focus on it may pull their potential investments away from us. Continued

robustness in our trading ties is useful for wealth creation, righting the trade imbalance & maintaining tranquillity on our disputed borders.

Chinese penetration & entrenchment in Eurasia & African areas on the back of OBOR & strength of manufacturing & building capabilities may limit our own trade expansion into these areas.

### ***East West Alignment of the Belt***

China stretches for about 5,250 km from east to west and 5,500 km from north to south on the East Asian land mass. Its land frontier is about 20,000 km in length. This provides it the unique opportunity to connect east to west as well to the north & south. However, while designing over land portion of OBOR (ie the Belt), the alignment has primarily been kept east – west. The north-south alignments are restricted to CPEC & BCIM both of which do not touch the resource rich central Asian land mass. As such, India has been effectively blocked out from trading with central Asia until we agree to go through China.

### **Opportunities & Options**

#### ***China's Negative Image***

China has in effect been demanding to be seen & respected as a world power. Even though OBOR is being sold as a benign developmental endeavour meant to benefit all, her aggression is all too apparent in her actions. Lack of soft power, predatory nature of her investments, aggression in SCS, alleged

cyber-attacks, scant respect for intellectual property rights, as well the tendency of its workers to remain aloof in other countries have all been instrumental in cultivating a negative image of China. This is one area in which India scores over China. We are by & large perceived as a peace-loving nation with no territorial ambitions. Our democratic values, free society, educational centres of learning, shared heritage & cultural affinities with south & much of east Asia, shared languages (Tamil is an official language in six countries), food, films & other forms of entertainment – all add to our soft power. We must leverage this psychological advantage. *Our foreign policy must be nuanced to subtly highlight the misgivings about China while leveraging our soft virtues to draw nations away & prevent them from being beholden to Chinese money power. However, success in this endeavour is contingent on improving our delivery mechanisms which are painfully slow & unresponsive. We must do all that it takes to ensure demonstrable improvements. Remember we have the ability as displayed in Afghanistan.*

### ***China's Water Hegemony***

Water hungry China's damming and diversion of water from rivers emanating from the Tibetan Plateau and flowing into the lower riparian states like India, Bangladesh, Myanmar, Thailand, Laos, Cambodia and Vietnam will cause water scarcity in these countries generating tremendous ill will towards China who will be seen as the common enemy. An opportunity that we must exploit.

### ***China Needs India***

Amongst all of the OBOR nations, India's economy is the largest, the fastest growing and the most stable. In comparison, many other countries especially along the Belt face limitations arising from political instability, strife, poor development, small consumer base & uncertain economic credentials. As a result, Chinese investments and by extension the pace and scope of the 'Belt' rollout will remain constrained. Clearly, China is in no position to ignore the Indian markets' potential for consumption and returns. No wonder, China is keen for India to join OBOR and has been pushing hard for that. India on the other hand should bide its time and join in only as a winner.

### ***Neighbourhood***

Securing our neighbourhood is the key. For that, India will need to act mature and magnanimous. Our actions and programmes should be mindful of generating good will amongst the people of our neighbouring countries to galvanise public opinion in our favour. It should be relatively easy for us to achieve this in view of our shared histories and heritage. Some measures that may be considered/pursued in real earnest are: -

- ***Bangladesh.*** The historic land boundary agreement has been a real booster to our friendly ties. This must be followed by immediate settlement of Ganga (Farakka) and Teesta Water Treaties. Bangladesh has been supportive of India at regional forums like SAARC and



BIMSTECH. It can, in fact, act as the bridge to our own North East for ensuring sustained peace and development there.

- Sri Lanka. Sri Lanka has unwittingly gotten into a debt trap with China. However, the total debt amounts to as low as \$ 5-6 bn. Instead of letting Sri Lanka grant a strategic toe hold to China at Hambantota Port (80% stake in lieu of the debt), India can proposition a bail out. We can surely afford this much money. Of course, with due regards to Chinese sensibilities, the bail out could be provided the cover of grants meant for public and social sector endeavours thereby freeing Sri Lankan Govt's capital to service the Chinese debt.
- Regional Forums. Endeavours like BBIN and BIMSTEC must be strengthened. Speedy development of infrastructure and connectivity aimed at integrating India's north eastern regions with main land as well as Bangladesh, Bhutan, Nepal and Myanmar will help in promoting regional security and prosperity.

### ***Indian Ocean Region***

Even though China is growing her navy at a rapid pace, we still retain the first mover advantage. Our moderately large fleet is backed with long operational experience of the first order. The so called 'string of pearls' can, at best act as logistic bases which cannot compare with the home advantage we enjoy owing to our geo strategic disposition in the Indian Ocean. We may adopt a three-pronged strategy in this region to ensure our long-term dominance; *one*, continuously upgrade our maritime capability (existing voids should be

addressed expeditiously); *two*, develop strong bases at Andaman-Nicobar and Lakshadweep Islands to extend our reach; *three*, strategic posturing through enhanced navy to navy contacts with friendly powers like US, Japan, Australia, Singapore to improve interoperability.

### **Central Asia**

We have procrastinated too long on the Chabahar option for access to Central Asia. We need to add vigour to our efforts to see it reaching fruition at the earliest. This will deal a serious blow to Chinese efforts at blocking us out of that region.

### **Credible Deterrence**

It would be fool hardy to adopt an openly hostile attitude towards China. As of today, we cannot match their economic or military might. With unresolved borders, both to our north and north east, it would be best to avoid triggers for conflict with China. To this end, our policies will need to be nuanced and balanced but not weak and submissive. In pursuance of the same, we will need to put in place a credible deterrence consisting of the following: -

- Conventional military strength capable of limited gains. It would be worth noting here that the given asymmetry ensures that even limited gains will be perceived as victory for us at the cost of the adversary.
- Nuclear triad. The submarine arm is a void.

- Superior cyber capability. We have the technological and human resource base to develop and maintain the same. In contemporary times, this capability can prove to be a deciding factor as the entire war fighting infrastructure is controlled & operated through smart computer systems. Besides, it also forms the back bone of decision support systems.

### ***Trump Administration***

The unpredictability of Trump administration is a subject of much discussion. Post assuming presidency, the initial prediction about the sobering effects of office on Mr Trump appear to be proving wrong. President Trump seems determined to deliver on his poll promises which translated on ground could well pan out as a robust riposte to Chinese assertions. Such a scenario would be beneficial for India.

### ***Geo Strategic Alignments***

The geo strategic climate is replete with uncertainty. China is on the rise, US in uncertain, Europe is indifferent and Russia resurgent. It is time to hedge our bets carefully. Leaning towards or leaning away from anyone or all of these power centres have their own pros and cons. There are no direct answers or easy solutions here. Each event and each situation will need a tailored response.