

## CHAPTER – 7

### CONCLUSION

“China is India’s potential threat number one”, Sh George Fernandes, the then Defence Minister of India had prophesied back in 1998<sup>183</sup>. His words carry more weight today than perhaps at the time of their utterance.

China is a giant at our doorstep which demands attention owing not only to her size but also might & intentions. Her economic rise has been nothing short of spectacular & she seems intent on using this new-found musculature to expand her influence & stature.

The Chinese actions in the 21<sup>st</sup> Century (even though incremental) have made it abundantly clear to all that they are not content with the current uni-polar architecture of the world order. Their resurgence (even belligerence) is aimed at ultimately emerging as a rival great power to the US in the foreseeable future. What is even more interesting, however, is the insight into the dynamics that have, and continue to shape their domestic & strategic orientation as well as decisions/policies aimed at achieving the aforesaid objective – the *‘regional peripheral policy’* being one of them. Within this context, this study has endeavoured to get a glimpse into the motivations that led to the formulation of the regional peripheral policy, related challenges & implications for India. Outlined below are some of the conclusions in this regard.

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<sup>183</sup> Manoj Joshi (18 May 1998). ‘George in the China shop’, *India Today* available at <http://indiatoday.intoday.in/story/china-is-the-potential-threat-no.-1-says-george-fernandes/1/264241.html>. Accessed on 05 Sep 2106.

There have been both implicit & explicit manifestations of China's growing ambitions & influence. Relatively recent expressions such as the 'China Dream' & 'core interests' fall into the former category. A study of the evolution & articulation of these terms & qualifications thereof give a peep into the Chinese likely strategy & aims.

*The China Dream.* Articulated first by the Chinese President Xi Jinping himself, the dream of "the great revival of the Chinese nation" appears to be a carefully crafted strategy addressed to both the internal as well as external audiences. *Internally* it is apparently meant to raise hopes, aspirations and nationalistic fervour with the aim of consolidating his own leadership position; perpetuating Chinese Communist Party's hold over the people and the State; and motivating the population as also creating an aspirational class to fuel domestic demand in the face of falling exports and slowing economy. While *externally*, it seeks to showcase to the world the Chinese achievements both economic and technological; and project an alternative to US dominance.

*Core Interests.* This term began appearing in 2006 & was initially limited to Taiwan, Tibet & Xinjiang with clear territorial hues. However, the subsequent period witnessed many iterations. In the process, the Chinese articulation about the core interests has transcended from being very precise (Taiwan, Tibet and Xinjiang) to the more flexible and ambiguous. When measured against a time continuum, it would appear that the degree of ambiguity and flexibility is somewhat proportional to the growth of Chinese economic and military muscle. From this, one could also conclude that this is a well thought out and deliberate course which aims at laying down certain clear red lines which are non-negotiable and other areas which are a forceful

indication of her intent and desire. Apparently, China is modulating her response to various situations and events depending on how dear it is to her as also the degree to which she can enforce/safeguard her interests. This approach helps in *domestically* keeping the nationalist sentiments (which it seems to have stoked by design under Xi Jinping) assuaged; and *internationally*, develop strategy and responses based on reaction from other side. This way it can keep pushing the envelope in sync with her growing stature. Given the deliberate ambiguity surrounding the core interests, one is left with little choice but to infer as to the identity of core interests. These are likely to be: -

<i>Non-Negotiable</i>	<i>Hardening Stance</i>	<i>Exploratory</i>	<i>India's Concerns</i>
Taiwan, Tibet, Xinjiang	East China Sea	IOR dominance	Arunachal Pradesh
Primacy of the CPC	South China Sea		IOR & South China Sea

Some important essentials that seem to impinge on the course that China chooses for herself are described below.

*Geographical Imperatives.* China is a vast country with extreme diversity in terms of terrain, resources & ethnicity. This coupled with a huge border (both land & water) with many countries makes China difficult to govern & secure.

- *Insufficient Arable Land.* Merely 12% of China's land is arable. Thus, *food security* has emerged as a major concern, in turn causing her to focus on marine food sources. This must be seen as one of the

contributors to it aggressively seeking sovereignty rights in the disputed waters of the East & South China Seas.

- *Severe disparity between the Heartland & the Buffer Zone.* The by-product of China's spectacular rise has been disparity. Disparity is China's most profound fear as it erodes the power of central authority & fuels dissenting & fissiparous tendencies – an absolute anathema. This has led the Chinese govt to put in place certain structural measures for accelerated development in the Buffer areas as well. '*One Belt One Road*' is one such initiative.
- *Land Frontiers.* On the *Northeast*, the instability in the Korean Peninsula is a serious concern; China & Russia are cosyng up, however, given the size & ambitions of both the nations, China is wary of Russia. To the *North*, the Mongolian front is secure. On to the *West* her worries stem from the ethnic kinship amongst the Turkic Uyghur minority of Xinjiang & their counterparts in Central Asian regions. Yet another danger emanates from the likely seeping in of fundamentalist Islam through the Wakhan Corridor connecting Afghanistan. To the *Southwest* are the tranquil borders with Pakistan, Nepal & Bhutan with the exception of an unresolved dispute with India. Finally, towards the *South & Southeast* are Myanmar, Laos & Vietnam with the last being an old foe.
- *Sea Frontiers.* The *Island Chains* are seen as strategic obstacles (duly exploited by Japan & US) limiting China's ability to breakout & project power. *Taiwan's* continued defiance rankles. A showdown is broiling with Japan in the East China Sea. The Arbitral Tribunal's Jul 2016 award

on the South China sea dispute has effectively negated the very foundations of Chinese claims based on the nine-dash line thereby dealing a serious blow to Chinese hegemonic designs.

- *Water Scarcity.* China has a mere 7% of world's fresh water to feed 20% of world population. Experts state that the water crisis could threaten economic growth & social stability. True to this prediction, the South North Water Transfer Project meant to relieve severe water scarcity in the North has instead caused a north-south divide. Then there is the other more important strategic dimension to this issue – i.e. the significance of Tibet which feeds at least seven major river systems flowing into the lower riparian states in South Asia & Indo-China. A lever that China can use to virtually throttle the flow of waters into these regions.

Malacca Strait. This is no doubt a strategic vulnerability. With a view to overcome the same, China has started going deep & far into the Indian Ocean. It has initiated a dalliance with the nations along the IOR rim on the strength of her economic charms. The famous 'string of pearls' is a result of this endeavour. In addition, China is also gazing westwards towards CAR and West Asian nations. These nations not only offer oil and other raw materials but also the transit corridor along which the same can be moved without being exposed to western naval dominance.

Energy Security. Currently, China is highly dependent upon oil and gas imports, principally from the Persian Gulf and Africa, which are carried mainly by tankers over sea lines of communication (SLOCs) and through maritime choke points dominated by the US Navy (refer Malacca dilemma

mentioned above). This sense of insecurity has driven her to forge close energy & trade relations with Russia, Iran, CAR, Africa & Latin America.

Economic Slowdown. After decades of record breaking growth, the economy is showing clear signs of heating up. This does not portend well for China & her capacity to put money where her mouth is especially when seen in the context of investment promises that the Chinese leadership often makes regarding foreign projects.

Primacy of the CPC. The CPC has a strangle hold over political power in China. It would do us well to remember that at the fundamental level each important decision will always be first gauged on its efficacy & ability to ensure the party's continued hegemony over power.

Above are the many challenges & complexities confronting China which have the tendency to exacerbate fear in the minds of the ruling elite about loss of control & resultant descent into chaos followed by subjugation by external powers. This mindset is so deep rooted that the CPC under no circumstances is willing to allow dilution of its central authority over all of China. To this end, the CPC has subverted the judicial systems, the educational institutions & even the mind space by blocking social media & replacing it with one of its own. However, this alone is not enough to stymie dissent as there are the other issues of disparity on account of uneven distribution of wealth & ethnic strife with their roots in the lopsided industrial & economic development favouring the east coast. Besides the economic disenfranchisement, the large sparsely populated provinces (or buffer zones) on to her west & south suffer from an

acute sense of alienation because of Han domination over ethnically different Uyghur & Tibetan people indigenous to these regions.

Apparently, the most important pending action meant to achieve the desired state of stability is to bridge this economic disparity. CPC's answer to that is to spread development & economic fruits thereof westwards to these peripheral regions in the hope that gainful employment & alleviation of poverty will buy their loyalty to Chinese central authority.

Achievement of China's dream of 'great national rejuvenation' is not restricted to her ability to ensure domestic calm/stability alone, but is contingent on insulating the peripheral regions from any destabilising external influence as well (especially Xinjiang which is susceptible to Turkic & fundamentalist Islamic terrorist sympathies). This to the Chinese leadership's thinking can only be achieved by extending her influence beyond the border (at least) into the neighbourhood.

Given its lack of a liberal political setup at home & soft power draw abroad, the only viable alternative is to grow its money & military power & use it to buy peace & influence both at home & abroad. This has been the origins of the regional peripheral policy which has found expression in the form of 'One Belt One Road' initiative.

The 'One Belt One Road' (OBOR) Initiative. The OBOR is essentially a scheme which envisages rejuvenation of the ancient silk route. The idea being construction of communication infrastructure with special economic zones alongside the route. It envisages a landward (belt) as well as a seaward arm (road). The prophesied aim is to foster peace, stability & prosperity through

mutually beneficial economic endeavours. However, with China as the financier & with all routes ultimately leading to & from China, it is clear that her interests reign supreme which, by the way, transcend the economic well into geo-strategic realm. On the one hand, the belt is meant to outflank the US by circumventing their global maritime dominance by spreading the Chinese influence into the Eurasian landmass, while on the other, the road is a means to acquire assets as well as bases in the Indian Ocean Region (IOR). The "string of pearls" is a manifestation of the same. Though grand in its vision, the OBOR is fraught with challenges. Some of these are listed below: -

- *Finance.* The overall requirement has been variously pegged between \$1.4 to 4 trillion. On one end of the spectrum is the financier – China – suffering a slowdown herself, while on the other are the recipients fearful of the predatory nature of Chinese investments which are known to have led multiple countries into a debt trap.
- *Limitations of land based transport.* In terms of the capacity as also the relatively high cost of movement & maintenance.
- *Security.* OBOR passes through countries & regions tormented by sectarian, extremist, secessionist & ethnic strife.
- *Limited maritime capability.*
- *Apparent lack of diligence in planning & execution.*
- *Misgivings.* About the actual Chinese intent duly exacerbated on account of historical track record.

There are two segments of the OBOR which are of singular significance to India for obvious reasons viz China Pakistan Economic Corridor (CPEC) & the Bangladesh-China-India-Myanmar Corridor (BCIM).

CPEC. This corridor is envisioned to connect the disturbed peripheral province of Xinjiang (Kashgar) through the 15500 feet Khunjerab Pass to the Gwadar Port in Pakistan's disturbed western province of Baluchistan and involves an investment amounting \$ 45.6 billion. Frequently touted as the 'game changer', there are serious question marks over its fruition. The eastern bias of its alignment (apparently meant to favour Punjab); poor security environment; unstable geology in & around the Khunjerab Pass; suspicions related to economic & indeed the technical viability itself are likely to severely curtail the scope of this project. The foregoing notwithstanding, geo-strategically it poses a major challenge to India due to the potential of facilitating military collusion between China & Pakistan, besides providing a naval base to the latter on our western seaboard.

BCIM. Given her deep mistrust of China, India has been less than enthusiastic about the project. Without India, it is virtually a non-starter. Consequently, there has been little or no progress.

China's rise will not be without a cost to her neighbours & rivals. India fits the bill on both counts. Obviously, there are many implications of China's regional peripheral policy on India. These have been covered in detail in Chapter VI along with the opportunities & options available in the current scenario.

In the end, it can be said that China still has a long way to go before it attains the stature of a world power capable of rivalling the US. Her path is littered with challenges which will test both her resolve & capabilities. As she negotiates her course China's focus will, eventually, shift to India as the only other country endowed with fundamentals to match her rise. Till then, India would do well to take a leaf out of the Chinese book & follow the famous Deng Xiaoping policy of "hide your strength, bide your time" though suitably modified to read "grow your strength, bide your time". Meanwhile, India too will be presented with many opportunities & options – some tempting others challenging. She will need to choose with care guided solely by her own national interest. After all, on the geo-strategic landscape, the only non-transient commodity is 'national interest'.

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