

CHAPTER – 1
RESEARCH PROPOSAL
ON
CHINA'S REGIONAL PERIPHERAL POLICY
IN THE 21ST CENTURY

"If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat. If you know neither the enemy nor yourself, you will succumb in every battle."

Sun Tzu, *The Art of War*

Introduction

Sun Tzu is regarded the world over as one of the greatest military thinkers ever. Much of what he said centuries ago seems equally relevant today. In the above quote, Sun Tzu exhorts us to study the enemy. But when it comes to China, the question that begs to be asked is – Is China really an enemy? Well, perhaps not in the strictest sense of the world! Yet, there is no denying the fact she is certainly a rival with the wherewithal and the potential to pose multifarious threats. To that extent, she will always evoke interest. But is that all there is to China? Not really, there is much more that is fascinating and relevant.

Neighbour. Prime Minister Manmohan Singh on a trip to Bhubaneswar in Aug 2006 had famously remarked, "We can choose our friends

but not our neighbours”¹. While he had made this remark specifically in the context of India–Pak relations, it has universal application. What happens in our neighbourhood should and does concern us. China is a neighbour and a large one at that. While there are many points of divergence, there are also many commonalities.

History. The India–China history is not particularly known for any substantive interaction in the pre-modern era. Neither is it characterised by too much influence or intervention. Indeed, travellers like Hiuen Tsang and Fa Hien did travel to and wrote extensive memoirs about India, but there is little evidence to suggest any weighty influence of such actions on the course of history.

Yet, there are many similarities. Both countries saw the emergence of great ancient civilisations which not only survived but continue to live and influence our lives and cultures even today. Both these countries were witness to great economic, scientific, philosophical and cultural prosperity.

Size and Populations. China is too huge (both in geographical size and population) to ignore. It is the fourth largest in terms of area (approximately 95.96 lakh sq km) and of course the most populous nation on earth (approximately 1.37 billion). Given the fact that India too is a large country with comparable population, many of the challenges are similar in size and complexities.

¹ Nageshwar Patnaik (29 Aug 2006). "We can choose our friends... not our neighbours", *The Economic Times*. Available at <http://economictimes.indiatimes.com/news/politics-and-nation/we-can-choose-our-friends-not-our-neighbours/articleshow/1933715.cms>. Accessed 14 Sep 2016.

Military Might. China maintains the world's largest standing military numbering approximately 2.3 million. She ranks second only to the US in terms of military spending (approximately \$215 billion in 2015)². India too maintains a large military but our budget spend on military has been much lower in comparison at about US \$51 billion in the same year. Both India and China are also nuclear powers with rapidly modernizing armed forces. China continues to grow militarily strong with each passing day. Her assertions on the world stage can be seen in this light as well. Of particular interest to India is her growing influence and presence in the Indian Ocean Region (IOR). Then of course is the matter of 1962, scars of which are yet to heal.

Economic Strength. China's economic growth is truly one of the marvels of the world. With a GDP of \$11.39 trillion,³ it is second only to the US in size. However, when seen in terms of GDP at purchasing power parity, it ranks number one at \$21.27 trillion⁴. What is remarkable is that it still continues to grow in the range of 6 – 7 % which in the context of the overall base size is stupendous. It would be interesting to also note that in 2010, China became the world's largest exporter. Her economy has provided China with immense clout which she has been using liberally, even brazenly to secure her interests all around the world including in India's near and extended neighbourhood. Be as it may, rapid economic growth has also brought along its own share of complexities especially in the domains of social stability, energy security and

² SIPRI Fact Sheet April 2006. Available at www.sipri.org/files/FS/SIPR/FS1604.pdf. Accessed 14 Sep 2016.

³ The world fact book available at www.cia.gov/library/publications/the-world-factbook/geos/ch.html. Accessed 14 Sep 2016.

⁴ *ibid*

environment. These concerns are areas of both convergence and divergence for India and China.

Geo-Strategic Sphere. With an ever growing military and economic might, China has in a sense not only arrived but established itself as major player on world stage. Her ambitions to rival the US, the current pre-eminent power of the unipolar world, are clear for all to see. It is now more a question of 'when' than 'if' China will wield comparable influence and sway. Commensurate with the diplomatic, economic and military tools at her disposal, China today can be seen asserting and exerting herself especially in her neighbourhood. India being a part of her neighbourhood, therefore, has every reason to be wary. Of particular concern are the following two issues: -

- Unresolved border dispute.
- The all-weather (higher than the mountains and deeper than the oceans) China–Pak friendship (nexus as India would like to believe).

The above, though a cursory rendition of generally known facts is enough to establish the necessity of watching and studying China in greater depth.

Statement of The Problem

The Disintegration of the USSR together with the collapse of other East European Communist regimes rendered the world unipolar with the US emerging as the sole undisputed power & world's arbiter.

Approximately around the same time, China changed tack, discarded classical communism & embarked on a State controlled opening up of the

economy. The resultant economic boom & sustained high growth catapulted China into a leadership position to the discomfiture of the US, the developed world & her neighbours.

However, screened behind the Chinese success are certain fault lines. The most important being the internal disparities emanating from unequal distribution of wealth, welfare & opportunities duly exacerbated by historical legacies. The peripheral regions being the aggrieved parties.

Quite obviously, China is aware & has responded with certain initiatives. China including India.

Literature Review

As stated above, China is too difficult to ignore in the contemporary setting. Accordingly, a fair amount of literature was gathered and reviewed. Details of some literature reviewed together with associated salient aspects are described below: -

- *The Xinjiang Problem*⁵. This is an extensive study sponsored by Central Asia–Caucasus Institute of the John Hopkins University, it was commissioned in 1998 as the 'Xinjiang Project' and culminated in 2003. This piece of literature documents the various aspects of the Xinjiang problem, the players involved, Uyghur and Chinese perspectives and grievances in the given geopolitical setting of the region. The study further documents the high stakes and aspirations of key players from the religious-ethno-societal as well as economic angles. It thereafter

⁵ Fuller, E Graham & Starr, S. Frederick (2003). 'The Xinjiang Problem', *Central Asia Caucasus Institute*, The John Hopkins University, US.

presents four alternative plausible future scenarios. At the same time the study also analyses the effects of externalities in the evolution of the problem and tries to outline a prognosis. The study brings out that the fundamental problem in Xinjiang is that the Uyghurs are fearful of losing their ethno-cultural identity under increasing Han domination. They perceive this is an existential threat. On the other side of the divide, the Chinese don't seem to be intent on solving /addressing this fear. Quite to the contrary, the Chinese state seems convinced and content with repressive measures to impose a solution. However, the study has by now become a bit dated and therefore encourages further examination for a clear picture of the issue in contemporary setting where China has acquired far larger economic resources and appears to be focused westwards at Xinjiang and beyond.

- *The Tibet - China Conflict- History and Polemics*⁶. This is a study by Elliot Sperling published by East-West Centre, Washington. It is a guide to the historical arguments made by the primary parties to the said conflict. It presents an excellent analysis based on source materials in Chinese and Tibetan languages which is an asset as these are more detailed and better documented. It also delves into how the major assertions made out about Tibet's historical status by both parties stand up against the historical record as reflected in relevant primary source materials. It further highlights that the Chinese contention that Tibet has

⁶ Sperling, Elliot (2004). 'The Tibet-China Conflict: History & Polemics'. *Policy Studies, East West Centre*, Washington, 1-932728-13-9.

been an integral part of China since 13th century actually is a 20th century construct since Chinese writers right up to 1950s were accustomed to describing Tibet's place in the world of imperial China as that of a subordinate vassal state and not an integral part of China. On the other hand, the Tibetan argument of a 'priest-patron' relationship governing their relations with China to the exclusion of political subordination too is not entirely correct. It concludes that the centrality of history in the question of Tibet's status could not be clearer. Presently, there is a need to go beyond the historical perspective and look at the current situation in terms of how Tibet affects and fits into the Chinese scheme to meet the latter's aspiration.

- *China Pak Economic Corridor: India's Options?*⁷. This is a study by Alok Ranjan published by the Institute of Chinese Studies, Delhi. The author starts by highlighting the rising trend of economic corridors and outlines the Chinese intent to create two economic corridors connecting South Asia viz the CPEC (China Pak Economic Corridor) and BCIM-EC (Bangladesh-China-India-Myanmar Economic Corridor). The CPEC plans to connect Xinjiang in land locked western China to the Pakistani port Gwadar on the Arabian sea. The study then gives out the envisaged architecture including the alignments, projects and economic activities planned there-in. He also highlights the disgruntlement amongst a section of Pakistanis on the apparent eastern bias of CPEC. The study

⁷ Ranjan, Alok (2015). 'The China-Pakistan Economic Corridor: India's Options.' Occasional Paper, Institute of Chinese Studies, New Delhi.

also outlines some of the Indian opposition to the project and points out two options viz *one*, to grumble and *two*, to open up trade links with Pakistan and connect to CPEC as well as revive old trade routes with China through Ladakh and Sikkim. The study concludes that CPEC presents to India some interesting and promising choices which, if exercised innovatively, may open new vistas of regional cooperation, stability and economic growth in the region. However, the CPEC issue needs greater analysis with respect to its viability both from economic and security angles. Further, there is also a need to look at the strategic as well as other implications for India.

- *Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road*⁸. This is a publication by Xinhua, the official news agency of China. It is a Chinese attempt to sell the 'One Belt One Road' (OBOR) initiative. It outlines the principles, framework and architecture. It gives details of the two main arms of the project namely the 'Silk Road Economic Belt' - the overland version and the 'Maritime Silk Road' - the sea based route. While there are some interesting facts as to the role China envisages for herself and the various components and dimensions of the sub projects, the document is a laborious read as the relevant details are often embedded in rhetoric. On the whole, the document projects OBOR as a 'win-win' for all participants with mutual benefit & cooperation as the bedrock, but China at the core & heart of it.

⁸ Xinhua (2015). 'Vision and Actions On Jointly Building Silk Road Economic Belt And 21st Century Maritime Silk Road.' National Development & Reforms Commission, Ministry of Foreign Affairs And Ministry Of Commerce Of The People's Republic Of China. Available at http://en.ndrc.gov.cn/newsrelease/201503/t20150330_669367.html. Accessed 16 Sep 2016.

The underlying theme is to create connectivity through infrastructure development, trade through economic zones, mutual cooperation through bilateral & multilateral platforms, and trust through people to people contacts. However, being an official version it obviously does not talk of the challenges, viability or other complexities. These issues require deeper research.

- *China's International Behaviour*⁹. This is a Rand Corporation document which looks at China's foreign policy construct. The study delineates the many internal and external factors as well as objectives & aspirations that are shaping the foreign policy of China. It brings out that it is the goal of her leaders to establish China's status as a respected great power. Also, that domestic considerations have a deep and significant impact on foreign policy decisions. However, the study seems to suggest that China is not seeking to dislodge the US from its numero-uno position – a conclusion that does not sit well with China's action on the world stage where it is showing definite signs of assertion and aggression. As such, this subject needs further detailed study.
- *As China's Era of Superfast Growth Ends*¹⁰. This is an article authored by Paul Krugman in the New York Times. He is of the view that the Chinese leadership is clueless and inept on handling its national economy. He brings out certain structural weaknesses that have the

⁹ Evan S. Medeiros (2009). 'China's international Behavior', *The Rand Corporation*, The US.

¹⁰ Krugman, Paul (2015). 'As China's Era of Superfast Growth Ends, Its Rulers Have No Idea What They're Doing.' *New York Times*, 31 July.

potential to impose a drag on the Chinese economy. However, the article deals with too few issues and is completely silent on its impact on China's Regional Peripheral Policy.

- *How China Fell Off the Miracle Path*¹¹. Authored by Ruchir Sharma, it is another article that bemoans the current state of Chinese economy and some of the issues afflicting it. However, this articles too does not delve into the likely impact of the economic slowdown on the Regional Peripheral Policy.
- *Have China's Core Interests Increased*¹². An occasional paper from AR Sirsikar, published by the Vivekanand International Foundation. The article discusses the recent articulation of China's core interests and the manner of their evolution. He brings out that the scope has been expanding to include more and more areas which is indicative of China's growing aspirations. The issues that need further research include- the impact of domestic public and intelligentsia's discourse on evolution and framing of the core interests together with their likely impact on China's actions on OBOR as well as how they impact India.

Above is a summary of some of the literature reviewed. The documents touch various issues and themes and have helped evoke considerable interest on China's rise in general and its regional peripheral policy and its ramifications in particular. It would be pertinent to mention here that the 21st century is

¹¹ Sharma, Ruchir (2016). 'How China Fell Off the Miracle Path.' *New York Times*, 5 June.

¹² Sirsikar, AR (2016). 'Have The Chinese Core Interests Increased?' *Vivekanand International Foundation*, New Delhi.

witnessing changes (especially in relation to the economic sphere and security landscape) more rapidly than at any other time in history. As such, research outputs too tend to lose currency quickly. It is therefore important to keep looking at relevant issues repeatedly with changing perspective.

Objectives

It is proposed to achieve the following objectives through the medium of this study: -

- To identify & analyse China's internal dynamics & effects thereof on the restive peripheral areas.
- To study & analyse the various components of China's Regional Peripheral Policy.
- To identify & analyse the potential implications of the above policy on India.

Rationale

The rationale for the study is encapsulated in the following statements: -

- It is widely acknowledged that China, US & India (in that order) will ultimately emerge as the three most powerful nations in the 21st century.
- It is said, we can choose our friends not our neighbours. We are therefore destined to live alongside them (neighbours). India has not been particularly lucky on this front. Right from independence India's relations with China have at best been turbulent.

- In the above context, the manner of China's rise has direct implications on the Indian story. Hence, it would be useful to study the immediate & medium term issues shaping Chinese responses & their effects on India.

Research Questions

The research questions for the study are as under: -

- What are the Chinese internal dynamics that affect the restive peripheral regions?
- What are the contours of the Chinese response in terms of the Regional Peripheral Policy?
- What are the implications of the above policy on India?

Research Design & Methodology

The study is primarily *exploratory* in nature.

Time Period. While the historical context will be analysed. The focus would be on the 21st century.

De-limitation. Chinese language data cannot be analysed. Hence, reliance would be on English language (including English translations of the Chinese writings).

Data. While it will be a mixed approach, basic reliance would be on secondary data. Books, journals & research papers would be studied & used.

Chapterisation

It is proposed to chapterise the study as follows with a view to lend it a logical flow as also ensure adequate coverage of relevant issues: -

- Chapter 1. Research Proposal.
- Chapter 2. The China Dream & The Chinese Core Interests
- Chapter 3. China's Internal Dynamics
- Chapter 4. China's Worldview
- Chapter 5. China's Regional Peripheral Policy
- Chapter 6. Implications For India
- Chapter 7. Conclusion

The plenary sessions of the Communist Party Of China (CPC) are landmark events, as all members of the organization must be present at all sessions, so that key operational and other important decisions can be made.

The CPC has a tenure of five years and typically holds three plenary sessions with the first one devoted to choosing key leaders and the final session is meant to devise strategy for guiding the CPC and China for the next 10 years.

The first plenary of the 18th CPC in November 2012 saw Xi Jinping appointed as China's fifth generation leader. It was during this plenary meeting that the term the 'China Dream' was first mentioned by Xi Jinping.

Profligate on 'China Dream' has evoked much interest and controversy both inside and outside China. But, before we go any further, it might be interesting to note that successive generations of Chinese supreme leaders