

EXECUTIVE SUMMARY
ON THE DISSERTATION
CHINA'S REGIONAL PERIPHERAL POLICY
IN THE 21ST CENTURY

By

Brigadier Jatinder Kumar Gera
(Roll No. 4208)



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EXECUTIVE SUMMARY

The Chinese actions in the 21st 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.

Some essentials that impinge on the course that China chooses for herself include the *geographical imperatives, security (including energy security) dynamics, economic status & the centrality of the CPC*.

These 'essentials' have thrown up multiple challenges & concerns which have found manifestation in the form of:

- Regional disparities between the 'Han heartland' & the ethnically diverse 'peripheral regions' which are as much a result of geography as of a lopsided economic development in favour of the coastal regions.
- Strategic vulnerabilities imposed by the island chains, western naval dominance of the SLOCs & the East & South China Seas disputes.
- The economic slowdown on account of the fundamental flaws in her economic growth model.

Above challenges & complexities 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. In the Chinese grand design, the desired state of stability is to be achieved by bridging the economic disparity by spreading development & economic fruits thereof westwards to the peripheral regions in the hope that gainful employment & alleviation of poverty will buy their loyalty to Chinese central authority.

However, in the larger context, 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' (OBOR) initiative.

The OBOR is essentially a scheme which envisages rejuvenation of the ancient silk route. 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 include mobilisation of requisite finance; limitations of land based transport; security challenges; China's 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).

Frequently touted as the 'game changer', there are serious question marks over *CPEC's* fruition. 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 former on our western seaboard.

Given her deep mistrust of China, India has been less than enthusiastic about the *BCIM* 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. Important ones include restructuring of the world order in favour of China; a fillip to the China-Pak axis on account of CPEC; China's growing presence & influence in the IOR; potential inclusion of Arunachal Pradesh under the ambit Chinese core interest as an alibi for a military intervention as well as opportunity cost in terms of pulling away of potential Chinese investments in India due to our reluctance to join OBOR. However, as always, in this game too there are opportunities & options for India as well. Some of these emanate from China's negative image & her water hegemony while others stem from India's first mover advantage in the maritime domain in IOR the fact that China needs India desperately for OBOR to succeed;. India's other options hinge on her ability to improve delivery mechanism in conjunction with her soft power credentials to dramatically improve her footprint in the immediate neighbourhood as well as East & Central Asia. Simultaneously, it would be imperative for India to buy insurance in the form of a credible nuclear deterrent.

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, as brought out above, 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'.