

China in South Asia: A Strategy of ‘Strings of Pearls’?

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China’s growing engagement in various sectors in South Asia poses challenges to India’s regional dominant position. China has started billions of dollars investment for infrastructure development, especially in those states who are part of its Belt and Road initiatives (BRI). Indian scholars consider Beijing’s Indian Ocean centric investment including sea port expansion as a policy of controlling India by creating ‘string of pearls,’ those small countries as a vital ‘pearl’ in this ‘string’. On the contrary, China claims that it is not anything concerning security in South Asia; rather, she looks for economic gain as well as a win-win situation for all. Except for India, all countries of this region have already welcomed their participation in the BRI. In order to illustrate the opposite perceptions of India and China, the paper aims to explore either China’s investment in the South Asian region is for its strategic gain or more economic expansions. I argue that China’s growing influence in South Asia should not be considered as a strategy of ‘encirclement’ against India. Nevertheless, the article concludes here if New Delhi and Beijing is looking forward to making a success of BRI, it certainly will bring crucial geopolitical and economic gain.

Keywords: Strings of Pearls, Belt and Road Initiative, Ports policy, Indian Ocean, India, China

Introduction

India and China are the major power of Asia, the largest economy and military power of the region. Both countries together cover above a third of the world’s population. Both India and China are key actors in the South Asian region and have ambitions to be a great power. Both countries’ economies are expanding rapidly with increasing military budgets, having nuclear weapons capabilities and competing with each other. China shares land borders with five South Asian nations out of eight: India, Nepal, Pakistan, Bhutan, and Afghanistan. Due to the closeness of the border, China’s policy has a significant impact on the South Asia region. Most of the time, relations between India and China have been affected by mistrust and uncertainty; underpinned by ongoing territorial differences and political friction, sometimes also viewing signs of cooperation and peace.

China’s bilateral relations with most of the countries in this region are not impaired in the socio-cultural ties and earlier intrusions (Wagner, 2016). China’s wide-ranging intentions in South Asia is to increase multi-dimensional supportive relations with the countries of this region. "Multi-dimensional" indicates political, and security ties as well as economic cooperation. China’s investment appears lucrative to smaller South Asian countries as they need foreign investment in the sectors of infrastructure and connectivity for further development. China is investing billions of dollars in infrastructure projects in countries which are a part of its BRI. Chinese engagement in South Asia considered three levels in this region: Firstly, China efforts to

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institutionalize its relations with South Asia; secondly, China desires to enhance bilateral ties with individual states of this region; and thirdly, most of China's investment is the Indian Ocean and Bay of Bengal centric. China is getting gradually confident when it's dealing with South Asian Smaller countries. On the contrary, most of the time India consider China's investment in the region as a strategy of "Strings of pearls". Recently, China's involvement in South Asia is observed as a part of its multilateral strategy with the aim of increasing its role at a regional and global level. As Shambaugh stated, "Today, China is increasingly seen as a good neighbor, constructive partner, and careful listener. Importantly, it is also increasingly multilateral in its diplomacy" (Shambaugh, 2005, p. 24).

From Indian side, besides territorial disputes, it accused that China does not promote 'One India Policy,'¹ selling weapons and military equipment's to India's neighboring countries; nuclear and missile explosives to India-wary countries particularly Pakistan; providing secondhand support to separatist movements; and obstruction to India's membership in International organisation such as Nuclear Five², United Nations Security Council (UNSC)³. On the contrary, China claims that India does not promote 'One China Policy'⁴. Instead, it provides support to Tibet and Taiwan. Aligned with the US and Japan, India is trying to contain China and pushing China threat theory to the International community (Malik, 2004). India-China maritime competition in the Indian Ocean is another different dimension between the two countries relationship. China is expanding and building maritime cooperation with littoral countries of IOR like Pakistan, Bangladesh, Sri Lanka, Myanmar, and the Maldives. India considers China's growing influence in the IOR as 'String of Pearls'⁵ strategy. Any kind of military conflict between these two rising powers will not only affected their national security but also threaten the security of this region as well as the world in general.

Research Questions and Hypotheses

Considering such a paradoxical situation, my research question is why China does invest a lot in South Asian countries for infrastructural development? Is it only a connectivity plan or string of pearls strategy of China? China's motive towards South Asia could be analyzed through realist and liberal perspectives. Power politics is important to calculate state policy; thus, the navy's role, investment in port is also a crucial component to achieve power. Based on the realist perspective, my first hypothesis is China pursues to expand its navy and investing in the port sector as a strategy of Strings of Pearls. On the contrary, it can be assumed that China seeks to set up tighter economic relations between China and South Asia for more regional integration. Thus, from the liberal perspectives, the second hypothesis is China's engagement in South Asia will act as an integrative tool, and seeks cooperative interaction and economic interdependence.

¹ Apropos, it is noteworthy that China several times decline to give visa to Arunachal Pradesh residents, which territory is claimed by China. Shshma Swaraj, Indian Foreign Minister, gave an official expression to Wang Yi, Chinese Foreign Minister that "if China expects India to respects its One-China Policy, it should also reciprocate and respect the One-India Policy". See more, P.K. Singh (2014).

² Nuclear Five are referred nuclear-weapon states under the condition of Treaty on the Non-Proliferation of Nuclear Weapons. Five member countries are the United States, the United Kingdom, Russia, France, and China.

³ The UNSC is one of the six major organs of the United Nations, responsible to keep international peace and security.

⁴ India recognizes the 'One China Policy' in the 1950s. But recently, China is intensely suspicious of New Delhi attempts to turn its long-standing OCP. For example, India has sent two members of the Lok Sabha (lower house of Parliament) to attend the oath-taking ceremony of Taiwanese President Tsai Ing-wen for the second term in May 2020. See details in Bhurtel, B. (2020). Again, India hosted a three delegation of parliament member of Taiwan on February 13, 2017. Taiwan hosted Indian former President AJ Abdul Kalam in 2010. See more, Panda, A. (2017, December 11).

⁵ 'String of pearls' term first used by US Defense department. Chinese Government official sources has never been used this term, though Indian media often used it and think that the goal of this strategy is to surround India by China from the sea.

Theoretical Framework

China's South Asia engagement could be explained through two dominating theories of International Relations- realist and liberal approach. If we consider the first hypothesis that framed from the realist perspectives. Realism focuses on international affairs as a struggle for power, relative gains, and a pessimistic view of world politics. The international system is anarchic, and there is no central authority in international society. For that reason, states are mainly responsible for their security. According to the realist, power is placed at the center of all political life, and every state contests to maximize its power to pursue her interests in the anarchical world system. The unyielding competition for power makes international political nature is conflictual. Thus all realists assume that international structure is tension and conflict and cooperation is rare and superficial. International affairs are a zero-sum game where nations are more anxious about their relative gains than absolute gains. Interests were defined by power, which is not influenced itself but rather capability to influence. Conflict is a common consequence of the power search, not of misapprehension. Hence, realists argue that China's rise will not be peaceful in the long run and its policy is aggressive. They argue that China is building infrastructure development programs to make overseas basing opportunities for its naval use all over the Indian Ocean basin. Moreover, realist argues that China's attentiveness in multilateralism is for the intension of gaining "coercive power and political influence" (Moore, 2007). China is expanded its navy because it seeks regional hegemony.

On the other hand, my second hypothesis is based on liberalism, which proclaims that economic interdependence throughout the world discourages conflict and war because it is a costly risk for all states (Mearsheimer, 2001). It is argued that there are multiple ways like trade in goods and services, foreign aid, borrowing, and lending, and investment can be promoted economic interdependence. Complex interdependence views states as "dependent on one another" and argue that such interdependence "as a means for progress, not a vulnerability." Liberals see interdependence as the "reciprocal effects among countries or among actors in different countries" (Keohane & Nye, 1989, p. 8). Liberalist argues that generally, military force does not play a greater role in the system's dominance, rather nations are reliant on influence and economic interdependence. Moravscik claims that economic dealings drive state for cooperation and, therefore, their activities and interactions are peaceful (Moravscik, 1997). Findlay & Watson argue that Beijing keeps an interdependent relationship with the other countries. It depends on external states for its exports, which allow her for a wealthy and stable national state of affairs. Complex interdependence argues states are cooperative to maintain relationships among them and do not take decision based on the relative military capabilities in the system. Beijing's maritime desires drive by its national interest, emphasizing on regional integration-not security (Jackson, Sørensen, & Møller, 2019).

Research Method

To know China in South Asia is for geopolitical gain or is a strategy of economic expansion, my research method comprised of interpretive view focusing on the Strategic and Economic perspectives of Chinas' investment. This study explores the data and information that is qualitative and narrative in nature. It is collected from the reliable secondary sources like textbooks, journal articles, international and local newspaper reports, official documents, policy papers, and working papers of various universities and research institutions. To meet the research objectives, explorative research methodology is used with the view to enhance the understanding of whether China's intension in South Asia is a part of containing India or not.

China's Major Investment in South Asia

Belt and Road Initiative: A Game Changer Project?

Belt and Road Initiative (BRI) previously known as One Belt, One Road (OBOR) proposed by Chinese President Xi Jinping, which is a dream project of China to promote regional integration as well as regional connectivity between China and other European, Asian, and African countries. In September 2013, during Xi's visit to Kazakhstan, he had expressed his opinion regarding the Silk Road Economic Belt. In October 2013, just a month later, Xi offered the Maritime Silk Road when talking at the parliament of Indonesia. China's Silk Road proposal is an ambitious concept confide on multilateral cooperation. Since BRI initiation in 2013, it has gathered much more attention in International politics both positively and negatively. In the South Asian region, the BRI gives emphasize to the growing India-China rivalry in the subcontinent as well as the India Ocean Region (IOR). This project contains two components-the Silk Road Economic Belt (land-based) and the Maritime Silk Road (Sea-based) (Wang & Karim, 2017). China hopes BRI will generate jobs and put her at the same level of development donors as the USA and Japan. Chinese Premier Li Keqiang highlighted in an annual report earlier in the National People's Congress in 2015, China's desires to "go global" through engaging Chinese companies in foreign infrastructure constructing projects and partnering with overseas companies (Keqiang, 2015).

The document reasserted the BRI required to construct infrastructure, trade, and cultural associations and the chances for regional cooperation. The document has been indicated four priorities on connectivity and infrastructure developments: port infrastructure, transport infrastructure, energy infrastructure, and aviation infrastructure. The two-day Belt and Road Forum meeting was held in Beijing on 14-15 May 2017. The Forum was China's major diplomatic effort to demonstrate worldwide support for the initiative. It was well attracted to the international community, from 130 countries 1500 delegates, including 29 Heads of states attended the BRI Forum (Baruah, 2018). President Xi Jinping mentioned in his opening speech that between 2014 and 2016, China's trade with nations besides the BRI route surpassed \$3 trillion, invested over \$50 billion in participating countries, and facilitated to generate more than 1,80,000 jobs (Baruah, 2018). Some estimates figure out that Beijing will invest approximately \$4 trillion to implement its vision for the BRI (Our Bulldozers, Our Rules, 2016). Except for India, all South Asian countries welcome BRI and attended that forum meeting. From the South Asian countries, three countries leaders of Sri Lanka, Pakistan, and Nepal gave speeches congratulating President Xi for his regional leadership and welcomed Beijing's investments in their particular countries. Though naturally South Asia has been observed as India's sphere of influence, China has started to invest hugely in the last few years as part of its Belt and Road Initiative in the region.

South Asia is growing as an economic power gradually, and the credit goes to BRI. The project included some game-changing strategies such as free trade agreement, physical infrastructure plans, economic integration, shared growth, and structural reforms; all are adjusted with future demands (Ruff, 2017b). China desires to enhance its strategic influence in the Indian Ocean region and South Asia through the help of BRI. China is providing loans to India's neighboring states such as Bangladesh, Nepal, Pakistan, Sri Lanka, Maldives, and Myanmar. For instance, from 2005 to 2015, China invested about \$14 billion in Sri Lanka for infrastructure projects. The Chinese government has assured \$38 billion to Bangladesh and intended to invest and credits for Nepal around \$8 billion. Moreover, for Pakistan, in China- Pakistan Economic Corridor (CPEC), it has the plan to invest more than \$54 billion by 2030 (Wagner & Tripathi, 2018). Experts think, the poor

countries connected to the BRI having low per-capita income, low investment rates, and weak infrastructure, could experience an improvement in trade flow and advantage from infrastructure development. Muhammad Mehedi, a foreign affairs expert of Pakistan, said "China sees yearly trade volume with Silk Road countries from US\$1 trillion to US\$2.5 trillion within a decade. It reflects 9.6 percent of annual growth. If South Asia taps this opportunity, it can change the fate of its poor people" (Ruff, 2017a, para 38). The Belt and Road Initiative is closely connected to another three projects of South Asia such as 1. China- Pakistan Economic Corridor 2. The Bangladesh-China- India-Myanmar (BCIM) Economic Corridor 3. The Trans-Himalayan Economic Corridor

The China-Pakistan Economic Corridor (CPEC), is an extension of Silk Road Initiative and passes through Pakistan-occupied Kashmir, a region that is under the control of Pakistan although India claims it as her part of the territory. It might demonstrate to be a game changer project in the South Asian region, particularly for Pakistan. This economic corridor will also play a vital role in the 'Greater South Asia', which contains Afghanistan, Iran, China, and Myanmar's regional integration (Javaid, 2016). CPEC is a network of railway, roads, and pipelines to transport oil and gas which will run around 3000 km from Kashi, in western China, through disputed Jammu and Kashmir, to Gwadar port, in far southwestern Pakistan. The corridor intends to link with Gwadar in Southern Pakistan to Gilgit North (Husain, 2017). This project is a strategy to launch trade and commerce links centered on China that pursue both the old land-based "Silk Road" as well as a sea route also (Snedden, 2016). Pakistan signed 51 memoranda of understandings (MOUs) with China that is all projects centered on CPEC. Mr. Sun Weidong, China's ambassador to Pakistan, said reporters that this project had created 13,000 local jobs. Moreover, the expert's assertion that this economic corridor is likely to generate over one million jobs in several sectors of Pakistan by 2030 (Ruff, 2017b).

Another trade corridor BCIM, which will link its southwestern Yunnan province through Myanmar to Dhaka and then on to the Indian megapolis Kolkata. This will be the key portion of the land based 'Silk Road economic belt.' It will also connect with the port city of Chennai in India, which is a midpoint of a Maritime Silk Route that starts from southeastern Fujian province of China and links littoral countries in the region (Wang & Karim, 2017). The BCIM project is able to a win-win chance for South Asian region as it is the linkage of energy, transport, and telecommunications. It would accommodate the region to appear as a blossoming economic belt, which will lead to the economic and social development of this region (Ashraf, 2017). However, this project faces some challenges due to the India-China rivalry, so it is still in the proposal stage.

The Himalayan Economic Corridor has also marked the new addition to the BRI which was originally a bilateral proposal between China and Nepal. Whereas Nepal officially joined the BRI in May 2017, the nation has held many two-pronged dialogs with China on constructing a corridor through the Himalayan area. All bilateral developments projects alongside the Himalayas are considered a part of the economic corridor and an extension of the BRI. Beijing is interested in connecting Kathmandu to Lhasa, capital of Tibet through railways, as part of BRI, with a projected cost of US \$ 8 billion (Pant, 2018). China has already completed a pre-feasibility study on the Lasha-Kathmandu railway estimated for the 72.25km line. In the meantime, nine trading places have been selected roughly in this Corridor between Tibet and Katmandu on a way that goes forward to the rest of China. By pursuing to build the Trans-Himalayan Economic Corridor with Katmandu, China is targeting to make an alternative to Nepal's existing dependence on Indian ports for trading and the passing of goods.

China's Port Investment in South Asia

Last few years, China had invested in building up ports at strategic points of South Asia which considered to India as a strategy of "String of pearls" strategy of China. This is a geopolitical strategy of China to achieve maritime dominance through naval bases, diplomatic and economic engagement, and relationships along with its sea lines of communication networks in coastal cities besides the shores of the Indian Ocean. The principal focus of this strategy is the strategic placement of these "pearls" with one another as a means to make a chain of hubs so that it can serve as both military and intelligence as well as economic cores in the India Ocean region (Pejic, 2016). For instance, China has built a deep sea port at Hambantota in Sri Lanka and at last, have succeeded to gain regulatory right over it. A deal between Sri Lanka and China held on December 09, 2017 over the Hambantota seaport was done already. The deal had been delayed about one year due to the over concerns about the port might be used by the military of China. China has signed a \$ 1.1 billion deal with Sri Lanka for a 70% share of this port for 99 years lease, and the government says this money will be helpful to repay the foreign loans. By this deal, Chinese company got full control of commercial operation and development of Hambantota port with the assurance that any third party country will not be allowed to present competing proposals or build up another port within 100 Kilometers (Shepard, 2017). Sri Lankan Prime Minister Wickremesinghe said that "Hambantota will be converted to a major port in the Indian Ocean" (Panda, 2017). The port, directing the Indian Ocean, is likely to play a significant role in China's Belt and Road initiative that will connect roads and ports between China and Europe.

China has built Gwadar port strategically located at Baluchistan in Pakistan, on the South-Western Arabian Sea at the entrance of the Persian Gulf. The government of Pakistan handed over the operational control of the port to China in April 2015. This port will be assisted in strengthening Pakistan's troubled economy with new infrastructure and jobs. This port is not only significant for economic benefits but also is essential for security matters. China is estimated to invest in the port \$ 1.62 billion, and this investment can be perceived as a feature of its growing influence in the Indian Ocean. This port assists Pakistan to deal as a self-professed "energy corridor" for oil from the Middle East to enter overland via Pakistan into Chinese Central Asia (Rahman, 2007). China has also invested in the upgrading of the Chittagong port, which is the most important port of Bangladesh, handling around 92% of its trade. China is also trying long years to invest in the Sonadia deep Sea port in Cox's Bazar. Like both Sri Lanka and Pakistan, a strategic geographical location of Bangladesh is also important for China, which can provide China's Southern province of Yunnan entrance to the Indian Ocean through India or Myanmar (Eva, et. al., 2018). Moreover, Maldives also could permit China to construct a port in the southern part of the country at Gaadhoo Island (China may build port, 2016).

China is always trying to strengthen its ties with littoral states of the Indian Ocean such as Bangladesh, Sri Lanka, Maldives, and Myanmar. It has offered to the littoral states of Indian Ocean billions of dollars as a loan for building up ports and roads and for other infrastructural development projects to make sure its strategic influence in and around the Bay (Samaranayake, 2014). Moreover, China has proposed Colombo for exploration of oil, and in response, Colombo has allotted an exploration block in the Mannar basin (Kumar, 2006).

India's Apprehension issues over China's Investment in South Asia

India keeps away to become a part of BRI and trying to prevent it events in the IOR. As Raja Menon noted,

India considers BRI as a part of the “grand Geo-political game” (Robbins, 2017). Officially, in February 2014, New Delhi was asked to join the BRI in the 17th round of bilateral border meetings. Lack of detailed information about it, India was intentionally silent in this matter (Hielscher, 2017). But later it was observed that India openly criticized the BRI. New Delhi does not consider in the Beijing explanation that BRI project have only economic intentions as Shyam Saran (2010) claimed that “China’s strategists do not draw lines separating economic and security objectives.” The same argument also is given by Suryanarayana (2016) - “economic initiatives have strategic and security dimension.” Specialist Jabin Jacob noted that a lot of Indians perceive BRI as mostly “about consolidating Chinese leadership in the region, particularly in opposition to the United States” (Jacob, 2015). India accused that BRI is a restructured, more institutionalized form of the String of Pearls as it is connected with BCIM and CPEC as well as four ports located in Sri Lanka, Myanmar, Pakistan, and the Maldives, though all are pre-BRI project, later included with this project. Like Len (2015) denotes, India assumed BRI is a project of ‘String of Pearls’, which views as an attempt to build a commercial and military network in the IOR to strategically encircle it.

Although India itself is a member of BCIM but it strongly refuses the CPEC due to it passes away Pakistan controlled Kashmir which area is claimed by India. According to media reports, 30,000 Chinese army personnel will deploy on the Pakistan front of the Line of Control to safeguard its economic interests in occupied Kashmir (Chinese Army Troops, 2016). New Delhi also concerned for the inaugural of the 40.4 km four double lanes highway in September 2017 from Tibet to the border of Nepal as it “could be used for civilian and defence purposes, a move that Chinese experts say will enable Beijing to make forays into South Asia” (China Opens Highway To Nepal, 2017, para 1). Already, India has boycotted this project and did not send any delegation of government representatives in the BRI Forum meeting in Beijing held on 14-15 May 2017. Spokesperson of Foreign Ministry stated, “connectivity project must be pursued in a manner that respects the sovereignty and territorial integrity” (India's Refusal To Join OBOR, 2017).

S Jaishankar, foreign secretary of India said at the 2017 Raisina Dialogue: “China is very sensitive about its sovereignty. The economic corridor passes through an illegal territory, an area that we call Pak-occupied Kashmir. You can imagine India’s reaction to the fact that such a project has been initiated without consulting us” (Pant, 2017, para 8). Prime Minister Narendra Modi emphasized this point and affirming that “connectivity in itself cannot override or undermine the sovereignty of other nations” (Pant, 2017, para 8). Whereas China explicates BRI project is “win-win” opportunity to all stakeholders, but India feels the anxiety to perceive China’s grand plan for networks of railway, roads and highway nearby boundary, pipelines and ports around the South Asian region. Indian experts are also suspicious about this project that it could serve as “Trojan horses” for its wider strategic desires as in the past (Smith, 2016). Regarding the BCIM economic corridor, India is calculating the cost-benefit analysis of functioning with Beijing for its vulnerable northeast region. Although India is a founding member of BCIM, it does not perform actively due to its security worries. Professor Srikanth Kondapalli argued: “When you put together all these jigsaw puzzles, it becomes clear that Chinese focus in the Indian Ocean is not just for trade. It is a grand design for the 21st Century” (Devichand, 2010). In May 2017, the Indian government conveyed a statement regarding its view on the BRI. It stated that BRI does not contain principles of the rule of law, transparency, and good governance. It also thinks that this initiative creates unmanageable debt burdens to some receiver nations (Baruah, 2018).

India is anxious due to China’s naval spreading out in the Indian Ocean and its relationships with littoral states of Bay of Bengal. Many Western and Indian experts assumed that Beijing is providing itself with a chain

of naval hubs besides the SLOCs. On the contrary, some analysts have argued that China has decided to construct a blue sea navy to counterpoise India's naval power and ultimately to obstruct through maritime blockade of India (Holslag, 2009). In December 2006, the Admiral Sureesh Mehta, Chief of the Indian Navy declared, he stood against to the engagement of two Chinese companies in the building of a military port at Kerala, the southern state of India on three grounds; 1) Indian submarines activities would be threatened as the Chinese companies will be able to get information on the waters of neighboring India; 2) China is pursuing friendly relations with Sri Lanka, Pakistan, Bangladesh and Myanmar in view of increasing operational capabilities of its navy that push India vulnerable to being "ringed" by neighbors on good relations with China; 3) China is always trying to protect its interest through improving the tactical competencies of its Navy in the sea lanes in the IOR waters (Horimoto, 2014).

According to M K Bhadrakumar, former Indian ambassador, whereas US's naval dominance is deteriorating in the Indian Ocean but China's naval presence is growing, and it might have more warships than the US's in the near future (Bhadrakumar, 2009). Indian observers accused that China pursues to launch military bases in the IOR by investing commercial ports, in which ultimately could be used for the Peoples Liberation Army Navy (PLAN) (Len, 2015). Even though at present Gwadar port is a civilian facility, India claims that it will appear as a main naval base for Beijing. Chinese naval access to this port will privilege China to the presence in the IOR, shifting the power dynamics of this region.

Chinese Perception regarding its Engagement in South Asia

According to the Chinese view, there is no strategic, political, or security intention of OBOR; its plan is to build a cooperative framework and makes a win-win situation for all countries. China wants to endeavor for peaceful economic development rather than security through BRI. About two years later of Xi's preliminary declaration of the Silk Road project, in March 2015, the government of China released a Vision and Mission titled "Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road" (Chinese Ministry of Foreign Affairs, 2017). Some analysts showed doubt and suspicion of China's intentions regarding BRI project. In response to the strategic suspicion of some countries, China responded that "we must get rid of the Cold War mentality. . . . There is no hidden strategic agenda to use this initiative as a means to gain a sphere of influence, still less to violate other's [sic] sovereignty" (Chinese Ministry of Foreign Affairs, 2015).

However, China declared that it would not increase bonds with New Delhi at the cost of Islamabad. China tries to persuade the South Asian countries that its rise to great power position should not consider as a threat. Furthermore, Beijing desire to dispel the New Delhi negative perceptions on its enhancing presence in the region. China wants to assure that it has no hegemonic ambitions in South Asia, even no intention to displace India. The head of the CCP's Central Propaganda Department Liu Qibao argued in an article in Guangming Daily that, "there are always some people who wear colored glasses to see China. They view the country through the lenses of the 'China threat theory,' 'resource plundering theory' or 'China collapse theory'" (Brady, 2015). China claims its relation with South Asian states is based on "non-interference, sovereignty, and territorial integrity." In Spite of South Asian countries varies in size and power status, China respects all countries sovereign right, national security, and territorial integrity. It pursues peaceful economic progress without undermining the countries national sovereignty and security. For a long time, Beijing has repeated, "its position to the international community against military expansion, armament race and alliance building" (He, Nie, & Wang, 2018). China claims that it has no intention to play "zero-sum game" rather it wants to build a

partnership with littoral states of the IOR. He, et al. (2018), argued, the Chinese culture sincerely trusts that “reconciliation benefits both whereas discord hurts both.”

Beijing's response to New Delhi concerns over China's military assistance to India's neighbor is that it does not have any hostile or ill intentions, or threaten to India. If India is worried about China's growing military cooperation with South Asian countries, Beijing argues for building mutual trust through security dialogues between India and China. Even if India is unhappy with China's military support to South Asian nations, China is eager to increase such cooperation with New Delhi itself. China argues that there is no proper reason to raise an objection to such type of friendly and cooperative relations. In fact, it thinks such a complaint obviously proved “anti-China” feelings and hostility to China (Garver, 2005). Beijing thinks that BRI project will boost economic growth, deepen global cooperation; thus, it will promote world peace. BRI is an opportunity, open for all, it's shaped as a win-win situation, and there is no secret tactical agenda. As Professor Zhang Jiadong, Fudan University, China, claims that BRI has huge economic importance. He argued,

“Many people see BRI as Chinese strategy, but it is not a ‘strategy’, it is an initiative. BRI is not just a vision for a new wave of globalisation. It is not a defined strategy or clear vision. It is a process shaped by China and interaction between China and partners and non-partners. Even the name is a process evolving with time. It was initially OBOR (One Belt One Road), and now is BRI” (Kabir, 2018).

He added, “Not all countries welcome BRI. They say it is China's neo-colonialism. But that is not at all so. However, everything has some strategic significance, not just for China, but for the region.” On October 12, 2016, Chinese State-owned Global Times reported that “Some Indian people may mistakenly flatter themselves when they think China's Belt and Road initiative is aimed at balancing India's influence” (Kumara, 2016).

Chinese Investment in South Asia: A Strategy of Strings of Pearls?

In the case of China and India's rivalry in the South Asia region, we have two points of view and it is challenging to judge which is most coherent. The first one is India's view of China's growing influence towards its neighboring countries. India claims that Beijing is increasing interaction with South Asian countries through military and commercial facilities along with the SLOC whose ultimate goal is ‘encircling India.’ The Second opinion from China; the investment of this region is merely an economic purpose that will bring off benefits for the whole region. Moreover, maritime Silk Road, sea port etc. is required for securing its imported oil and gas which is passing through the Indian Ocean. This section is divided into two parts. The first part lays out how China's investment could be a Strings of pearls policy in future. The second part deals with how it would be difficult for China to turn out its investment in the strategic perspective. Rather, its investment in South Asia has a greater economic implication for South Asian countries.

China's Investment: Strategic Perspective

China has taken various efforts to expand its influence in the South Asian countries and beyond. One of that to build up ports to littoral countries of the Indian Ocean. China has a special connection with South Asian countries not only in the economic but also in the security areas. Even the Chinese specialists admit that in spite of fast shifting realities of geo-economics and geo-strategy, China's relation with this region in the field of security issues will continue to be an integral part to it in future. Most Indian scholars' explanation of the Chinese investment in port and BRI project from a strategic angle, instead of an economic perspective.

China's engagement with South Asian countries like Sri Lanka, Maldives, Bangladesh, and Pakistan including Myanmar giving privilege to China to balance against India's presence in the Indian Ocean as well as it would be possible to check India's rise through monitoring naval actions. Pakistan and China's naval presence at Gwadar port will be helpful to them to monitor Indian and US activities and expansionist designs in the Indian Ocean, and the Arabian Sea too. China acquired a container shipping opportunity in Chittagong port in Bangladesh. Moreover, it's got intelligence-gathering facilities in the BoB island nearby the Malacca Strait and Sri Lankan Hambantota Port. For a decade it is observed that maritime cooperation has begun between Pakistan and China. In 2007 and 2009, Chinese naval units joined in the AMAN naval exercise which was sponsored by Pakistan (Scott, n.d.). The Commercial port of the Maldives hosted three Chinese People's Liberation Army Navy (PLAN) ships in August 2017. China has started to participate in joint military exercises with India's neighboring countries for counterterrorism, maritime security, and shipping safety in the IOR. In 2015, Sri Lankan Army and Chinese People's Armed Police Force kicked off a joint counter terrorism exercise codenamed "Silk Road Cooperation-2015" to enhance anti-terrorist skills and anti-hijacking aircraft capability (China, Sri Lanka Hold Military Drill, 2015). In 2014, Chinese submarines visited at the Colombo airport in Sri Lanka. China assured that its naval fleet would be used to supply or recover of these ports during the operations of anti-piracy in the Indian Ocean area similar to its activities of other naval bases in Oman, Djibouti, and Yemen (China makes inroads into Indian Ocean, 2011). The following table provides us with a better idea of China's presence in these ports:

Table 1

China's Investments in Overseas Port

Country	Location	Status	Use	Facilities	Types of Ship
Bangladesh	Chittagong	Operational	Military Civilian	Container Port Largest Navy base, Logistic bunkering facilities	Small and Medium Warships
Pakistan	Gwadar	Operational	Civilian Military	Deep water Port Signal intelligence (SIGINT)facility	No data available
Sri Lanka	Hambantota	Operational	Mostly Civilian but Military Capabilities	Deep Sea Port Bunkering facilities	Military Vessels, Possibly Nuclear Submarines

Source: Kabir, M. H., & Ahmad, A (2015), Updated by the researcher.

Many argue that due to China's military strength, population and gradual economic growth and good diplomatic efforts, China could weaken India's position in this region. At the present time, Infrastructure development, port building and upgrading, pipeline construction and diplomatic efforts are demonstrating to be China's simple method for gaining positions within the Indian Ocean as well as Bay of Bengal region. China's navy is planning to assist littoral countries of Bay of Bengal in infrastructure development in strategic positions nearby the SLOCs which seems to be a strategy to counterbalance India's geographical favor in the IOR (Malik, 2012). Its Navy is recently increasing at a faster rate than India. It is projected that China will acquire 73 most important warships and 78 submarines, among them 12 will be nuclear, even though it still has a deficiency on operational aircraft carrier group capacity (Kenny, 2015). The United States claimed that China would use Pakistan's Gwadar port for a military base. Same argument has given by Mike Pence, US Vice President, regarding Hambantota port that it might turn into a Chinese military base. China pursues to increase military

bonds with South Asian Countries as it thinks it is an ordinary part of international cooperation. Every year China exchanges two or three deputy chief of staff delegations via defense ministry, defense industrial agencies, or from military regions, or military academies. In recent times, China has made an effort to institutionalize exchange of views with India's neighbor in the field of military and security. China's main focus is to supply military equipment in the South Asian region. Consequentially, it became the largest military equipment supplier to Bangladesh, Sri Lanka, Pakistan, and Myanmar. Training military staffs, maintenance have also become a part of equipment purchase (Garver, 2005).

Until now, there is no detailed plan about the selection process of the BRI project, consultation nature, and negotiations process (Baruah, 2018). India has doubt about BRI project for three reasons: Firstly, it will weaken New Delhi's sovereignty claims over the disputed boundary territories as well as it will increase security threat, specifically vis-à-vis Pakistan and China; Secondly, it will privilege China for more geopolitical influence and excessive economic and diplomatic control over India's neighboring policymaking decisions. Thirdly, it thinks that BRI is a Chinese-funded project, it might not maintain international norms and standards (Baruah, 2018).

However, economic corridor particularly the CPEC and the BCIM is a "Sino-centric patterns". India still continues reservation over BRI, due to its vague implementation process, more importantly, it is a security issue for India. Yet, China did not provide any opinion how it would minimize India's concern, why India should not be worried. India's neighboring countries support over the BRI, would be given China to utilize its relationship to implement its strategic agenda in future. For Instance, Beijing is empowering India's greatest rival Pakistan through the CPEC corridor. It is noteworthy fact that India-Pakistan relations are always directed by an acrimonious cold war environment. CPEC has accumulated another ingredient as it passes through controversial route (passes Pakistan occupied territory, India claim its own territory), which makes India unhappy.

China makes unjustifiable debt liability for its neighbors and intends to take control choke points in the IOR. Some countries have faced a bad impact on Chinese loans. Already, South Asian countries like Pakistan, Sri Lanka, and Myanmar are raising the apprehensions about reimbursement of debts and loans of China (Kumar, 2017). When China provides the loan, it usually imposes some conditions like contracts be bestowed to Chinese enterprises and a minimum 50% of the equipment, material, technology etc. need to be Chinese origin. For example, Chinese state-owned Exim Bank extended loans on conditions that receivers require to use such funds to purchase Chinese goods and products and to use Chinese raw materials and labor. Chinese banks also imposed 8 percent interest rate to Pakistan on loans while the international interest rate was 1.6 percent only for energy projects. Due to China's hard funding terms and conditions, Pakistan canceled the \$ 14 billion which allocated for Diamer-Bhasha Dam project. Pakistan Shipping minister said at the Senate that "90 percent of the revenue from Gwadar will go to China" (Gwadar port about China's interests, 2018). Sri Lanka took Chinese loan for construction of its Hambantota port, but it unsuccessful to turn a profit. That is why the government of Sri Lanka failed to repay its loan and has given up control of this port in return for a \$1.1 billion debt write-off (Ballard, 2018). Now question arises why South Asian countries borrowed money from China instead of multilateral organizations. It is because of multilateral organizations are very strict on human rights issues, governance, and corruption that is difficult to maintain for governments. Whenever, IMF and World Bank provided loan on any large scale projects, they insists government to maintain transparency, and governments need to follow several guidelines on governance. China has less interest on the countries internal issues, transparency, and human rights issues. According to Prof. Ahmed of Dhaka University, "political parties

or governments who are less transparent and members who are trying to get extra funds in their pockets find China or Russia easy going compared to multilateral organisations” (Kahandawaarachchi, 2015, p. 34).

China's Investment: Less Strategic more Economic

India is suspicious that China will use the port for other motives, but it is noteworthy that the international legal framework which controls port access. As a matter of normal international law, the sovereignty of the seaside country is affected by its ports. In 1986 the International Court of Justice had recognized that a littoral country might control access to its ports due to that sovereignty (Klein, 2018). Littoral countries are legal authority to impose restrictions on access to their ports, besides determine conditions for entry. For instance, UNCLOS mentions that countries will set specific requirements for the stoppage, decrease, and pollution control of the oceanic atmosphere as a provision for the access of overseas vessels into ports. It is worth mentioning that the state has got this authority and not the sea port operator (Klein, 2018). According to the “International Ship and Port Facility Security Code 2002, approved under the auspices of the International Maritime Organization and its Safety of Life at Sea Convention”, states are the legal authority to take steps to make sure the security of its ports (Klein, 2018). States could also look over fishing containers in port which are assumed of illicit fishing, following to the Port State Measures Agreement. That is why it can assume that though China invested in building ports in various countries in the South Asian countries but it has no right to use its other purposes.

A senior official of Pakistani Military stated that China has not ever asked for a military base or access to the Gwadar port. At a forum at Beijing in China, Real Admiral of Pakistan Navy Mr. Javaid Iqbal stated that Gwadar port is the only a commercial project and it has no armed implications (China never asked for military access, 2018). The government of Sri Lanka has given guarantees that Hambantota port will be used only for commercial purposes and it got 100% responsibility for security issues and the right to scrutinize ships arriving the port (Shepard, 2017). Ranil Wickremesinghe, Sri Lankan Prime Minister, stated that Hambantota would never use for a foreign military base. He added that “Our navy's Southern Command is being relocated in Hambantota to control port security” (No Chinese Military base, 2018). Wickremesinghe said in a program of London's Oxford University that “some people are seeing imaginary Chinese Naval bases in Sri Lanka. Whereas the Hambantota Port is a commercial joint venture between our Ports Authority and China Merchants - a company listed in the Hong Kong Stock Exchange” (Sri Lanka Says US Fears, 2018).

Cheng Xueyuan, China's Ambassador to Sri Lanka said that Sri Lanka is a vital partner of China as it is one of the first nations to support openly the BRI. He also added that “we would like to work with our Lankan friends to further enhance mutual trust, respect and support to implement the mega projects of Colombo Port City as well as the Hambantota Port and Industrial Park” to enhance the economic progress of the island countries for the early return of mutual building of the BRI and to bring noticeable paybacks to our two nations (Balachandran, 2018, para 15). India has decided to take a lease of the Mattala Rajapaksa International Airport (MRIA) which is one of the “world's emptiest airports” (as no referable airlines run out of it) for 40 years, at the expense of approximately USD 200 million. India desires to take control of MRJA to keep its eyes on the Chinese control Hambantota port as it is only 15 kilometers away from MRJA. India silently worked with Sri Lanka and succeed to move its southern naval headquarters from tourist district Galle to the strategic Hambantota port. China's involvement in the expansion of Chittagong port is on the basis of equal terms between Dhaka and Beijing. The two countries have signed a mutual agreement to achieve bilateral trade and

economic development. There was no hide and secret matter, all particulars related to the construction scheme have been made exposed to the external world (He, Nie, & Wang, 2018).

To lessen over dependence on the Malacca Straits, China desired to establish an alternative maritime corridor from the South China Sea to BoB as about 80 percent of its oil passes through this straits route. As Smith said, "The Indian Ocean is the strategic arena of the 21st Century. China views the Indian Ocean as key to its geopolitical rise, particularly as the region's sea lines connect the Chinese economy to critical sources of energy in the Middle-East and Africa" (Miller, 2014, para 6). Consequently, China invested heavily in infrastructure construction and port development in the littoral states of the Indian Ocean including Bangladesh. China is already building oil pipelines from the Myanmar port Kyaukpyu to Kunming, China. In these perspectives, Beijing is also desired to develop the Chittagong port with the expectations to set up a parallel pipeline connecting three areas 'Chittagong-Kyaukpyu-Kunming.' So if an oil pipeline is constructed from Chittagong, it could resemble energy transit route of Myanmar coming from Sittwe, and Kyaukpyu, hence an important energy corridor will be extended for China (Masood, 2015). If India ever, blocks the Malacca chokepoint with the support of the US via the Indian position in the Andaman Sea, it might have horrible impacts on the Chinese manufacturing base (Nahreen, 2017). Hence, it is vital for China to attain more power in the IOR through investing infrastructural sector in the littoral nations including Bangladesh. Gwadar port is important for China as it is located adjacent to the Arabian Sea and nearby the Strait of Hormuz, approximately 40% of the global oil passes through this route. Gwadar port will privilege to access to the oil-rich Middle East, central Asia, and South Asia. The Chinese view is that Gwadar will act as an energy hub through access to main shipping lanes that give China to assure the safe route of its crude oil importation. China desires the port will be utilized as a part of the Maritime Silk Route to increase trade and commerce.

Moreover, India accused China is looking for a naval base in the IOR, but if we look at deeply in various investment in South Asia, yet there is not enough indication, China is abusing maritime infrastructure to progress its foreign bases. But it is true that China is interested in keeping its existence in the IOR due to its economic, strategic and political interest. Pakistani Foreign Office spokesperson Mr. Faisal asserted firmly that "The CPEC has helped Pakistan improve its economy, particularly energy and infrastructure sectors have improved under it. The CPEC is a bilateral economic project, which is not against any country" (CPEC has no military dimensions, 2018). In the geopolitical perspectives, if India band together in the CPEC project, India could get an opportunity to access to the Pakistan-occupied Kashmir. Rather than the all-time exchange of fire across the LoC between Pakistan and India, the world might have enjoyed a quiescence atmosphere in the region (Bhattacharya, 2018). Mirwaiz Umar Farook, Separatist leader of Kashmir, advised India to be part of CPEC. He said, "There is also an opportunity for India to assess the economic advantages it can have by being part of it. Kashmir can in fact become a gateway for India to be part of the CPEC, provided there is a settlement of the dispute first. Stronger the CPEC becomes, more the need to resolve disputes in the region" (Pant, 2017). Though China's Xinjiang province has huge oil and gas reserves, but it's not well enough developed. China is facing a challenge of this region because of its noncoastal nature and mutiny by Uighur militants. To access in Central Asia, the Xinjiang is the only route for China. Thus CPEC can make a connection with the Indian Ocean through Gwadar port (Kumar, 2018). CPEC is able to act as a most important tool for economic connectivity and integration in South Asia, Central Asia, and West Asia. India had better address its suspicions by emphasizing its apprehension through the diplomatic way. China is trying to utilize BRI to increase its economic development of its traditionally lagging western areas. As China stated in the statement,

“We should make good use of Xinjiang’s geographic advantage and its role as a window of westward opening-up to deepen communication and cooperation with Central, South and West Asian countries, make it a key transportation, trade, logistics, culture, science, and education center, and a core area on the Silk Road Economic Belt” (Vision and Actions on Jointly, 2015).

The geographical location of Bangladesh is significant for China to make the linkage to the Indian Ocean with its Yunnan province. Pakistan is also indispensably significant to Beijing for several causes: i) for ensuring its energy security in the Persian Gulf through giving access; ii) Pakistan’s geostrategic location also helps China to make connection with Central Asia, South Asia, and the Middle East; iii) continuing control over Xinjiang and Tibet thus, it can ensure her territorial integrity and national unity; iv) making dominance in the Indian Ocean; v) forming diplomatic ally with the Islamic world; vi) a major buyer of its weaponry (Malik, 2004). As a mid-position in the Indian Ocean, Sri Lanka is also essential for China to refueling its vessels and taking rest of crews.

Yi Xianliang, Chinese Ambassador to Sri Lanka was quoted at a media conference in Colombo in response to expressing constant unhappiness on the blame of Chinese financial support by the Sri Lankan Senior Ministers of the governments in November 2016. During the conference, whenever he was asked about to remark on the “expensive loans from China” in the regime of President Rajapaksa, Yi replied by questioning “why some Sri Lankan ministers and media always speak of Chinese loans as expensive and saying, if you don’t like this one [loans from China] why have you spoken to me about getting another one?” He added that “the Sri Lankan people and the government should have a more thankful attitude towards China. For a long time, we have supported and assisted Sri Lanka in international forums and bilateral business fields...I do believe that political infighting should not be linked to Chinese assistance” (Sunil, 2016, para 5). It is also a responsibility of loan recipient country to accomplish pre-feasibility study as well as research properly of the project to take a sound decision, prescribed loan conditions and rates will meet her national interest or not. However, China renovated or waived loans at least 84 times in the last 15 years without taking any properties (Jie, 2019). China has given concessional loans for four projects in CPEC where it has a total of twenty-two projects. According to an IMF report of 2017, the highest outflow of CPEC loan could be covered without difficulty by Pakistan’s growing exports, expected to reach USD 40 billion by 2024 (Jie, 2019).

China also encourages multilateral cooperation to fund infrastructure investment. For instance, Pakistan asked Iran, Saudi Arabia, and the USA to join CPEC projects. It should not be ignored that Beijing has also pledged to execute large-scale infrastructure development in India, cooperating with each other in various areas like the BCIM-Economic Corridor. India has officially recognized the Bangladesh-China-India-Myanmar Economic Corridor (BCIM-EC) which is a part of China led the BRI project. Already three higher officials meetings of this project have taken place among the member countries pursuing to develop the infrastructure and promote tourism sectors (Kondapalli, 2017). It is noteworthy that China had given a trilateral proposal involving India and Nepal to build a Trans-Himalayan Economic Corridor in 2014. New Delhi did not give any response regarding this tripartite plan, so it ruins at the proposal phase.

Whereas New Delhi itself keeps economic ties with Beijing but smaller nation’s closeness with China is looked at with suspicion. Yet, no country of this region act against India’s interest. For example, China proposed to build up a deep sea port at Sonadia, Chittagong, but India considered it would be a security threat to her. For that reason, Bangladesh didn’t progress in this project and argued to China that this project would not be profitable, though it might choose the third country to build up this port. They have involved with China

for their countries development, as China offers a lot. Moreover, some authors argue that China invested in the border centric area more especially in the near of the Northeast region of India, but if we look at its investment nature in South Asia, it is noticeable that China's investment is not only in the border area but also whole over the country. Sri Lanka offered India first to construct Hambantota port but India declined; then Sri Lanka turned to China. Bangladesh has given access to its Chittagong port to Indian cargo ships, which has been modernized through Chinese assistance. Indian goods and things shipping are dominating in Sri Lankan ports. Notwithstanding Beijing's deep pocket, its interests in Dhaka are less strategic and more commercial as well as economic. China did not show any sign of displeasure or dissatisfaction over the failure to deal regarding Sonadia sea port. Rather it just moves to a new exertion. At the end of the day, China's constant giving funding to the various project, the mutual relation didn't downfall between these two countries. China also jointly invested with India in the Payra sea port in Bangladesh without any objection. Bangladesh and China continue a good relationship because Beijing did not mingle individual perspectives of bilateral relations. Bangladesh's Security analyst Major General Abdur Rashid (retd.) referred that

"None but China came forward with the billion-dollar economic support. We must not [mix up] this strategic relation[ship] with security and geopolitics because China is investing and giving financial support for our infrastructure, power and energy, information and communication technology, investment and blue economy" (Habib, 2016; Karim, 2016).

Littoral countries cooperate and make a partnership with China as a way to decrease their dependencies on any particular power and diversify their partnerships. Moreover, South Asian countries are benefitted from their intimate relations with China, and China itself take into account them as friends and equal partners that are significant for a strategic motive. BRI and its related components have made an environment which encourages win-win relationships and boosts participation in the multilateral institutions. Moreover, Beijing keeps on work within the norms of the global system. In the perspectives of the Asian Infrastructure Investment Bank (AIIB), China pursues to conduct commerce by evolving financial institution in a parallel manner to western institutions such as the International Monetary Fund, Asia Development Bank, and World Bank. As Thomas Moore explicated, "China's pursuit of institutionalized cooperation signifies a growing commitment to a rules-based, norm driven international order" (Nicolas, 2015, p. 27). The AIIB is a multilateral development bank proposed by Beijing which officially launched in 2016 and it has already 87 member states. An example of the convergence of interests is noticeable in a multilateral development bank named AIIB that India joined as the second largest stockholder after China. Six states of South Asia are founding members of the AIIB. India was elected as a board member of the bank. AIIB has provided about \$1 billion worth of projects in India and another more \$1 billion roughly is in under consideration. If the AIIB be able to consolidate the loan assessment and sanction process, South Asia might get an investment flourishing.

South Asian inter-regional trade is very low. One of the most important reasons for the low volume of intra-regional trade is poor infrastructure in the region. South Asian states have not enough access to infrastructure and the existing infrastructure quality is also poor. For instance, simply 39 percent of the rural peoples in Bangladesh have access to road transportation. Though India has a large number of roads and rail network, but half of these are not suitable to use in all seasons (Chalise, 2016). In 1996 SAARC countries has developed South Asian Development Fund (SADF) with the intentions of an umbrella funding instrument for all regional advancement projects, along with infrastructure. But with only USD 300 million capital was not enough to fund some social projects. Another initiatives like the concept of establishing a South Asian

Development Bank, headed by India, has been planned to offer low-cost finance to member states for infrastructure development projects; but this idea has not been implemented yet (Chalise, 2016). With this background, the AIIB can play a positive role in the development infrastructure sectors such as roads and highways, deep sea ports as well as power generation plants in the South Asian region. Though China's infrastructural investment is mostly driven to gain its own economic interests but it also creates benefits to the other countries in the region as well.

Conclusion

Over many years, China and India have been questing to achieve economic and political influences in the South Asia region. Both countries are trying to gain regional power status likely leading position through investing in different ways, maintaining security relations and diplomatic engagement with the small countries of this region. China has provided strong economic support towards India's neighbors until now which raised a threat perception to New Delhi because it thinks that, it will lose its dominance over the smaller countries due to China's engagement with those countries. India, considers South Asia as its backyard, exercising influence over it, and so a rising relationship between China and South Asian small states is envisaged by India as potentially problematic. My study found that China's intension in South Asia is more consistent with a liberal explanation. There is no sufficient indication to support the conception of Strings of pearls that China is making an effort to develop foreign bases for military purpose. Recently China's connection in South Asia as a part of her multilateral strategy, which aims at increasing its role as a regional and global level. China has become a significant economic and strategic partner to South Asian countries, particularly it has strong ties with smaller states through trade, diplomacy, aid and investment. China is trying to strengthen interconnectivity in South Asia through various investment. China has invested profoundly, for example, fixing energy pipelines, built in deep sea ports in the Bay of Bengal to decrease its reliance on the Malacca strait, which is actually under the US control. However, China would face some challenges from India to implement its BRI project in this region as India is a significant actor not only regarding its size and location but also considering her military power and economy.

China's entry is vital for the betterment in the South Asian region as it is the second largest economy in the world. Small states of the region think that regional peace and stability mostly depend on how Sino-India perceive each other. The economic growth of South Asia is increasing gradually projected to 7.1 percent and 7.3 percent in 2016 and 2017 respectively. To keep up such a growth rate, more regional economic integration is needed for free movement of capital, ideas, goods, and commodities. It is worth mentionable to that South Asian countries are not connected enough by road, sea or air, there are excessive travel constraints. One of the main reason for poor connectivity is lack of funds to invest. Asia Foundation identified several factors like "tariff and non-tariff obstacles, weak infrastructure, poor awareness among stakeholders, a lack of political will, and low levels of investment" are liable for poor intra-regional trade of South Asia. In these perspectives, BRI could offer easy access to capital for the South Asian States. Such connectivity project will enhance interregional trade in South Asia and help India to implement its Act East Policy. India will also be able to connect the China-Myanmar gas pipeline and will get access to energy resources of Central Asia through BRI.

With the blessing of BRI and its component of BCIM, CPEC, various port Hambantota, Chittagong port will boost the economic activity of the South Asian region; thus, it will reduce the unemployment rate. South Asian counties need investment and infrastructure badly. China's investment will generate jobs and new

infrastructure in the region and draws attention to the highly capable professionals from all over the world. If Beijing expects New Delhi's direct participation to BRI, then it could address seriously over India's concerns regarding BRI through periodic discussion on the project. Both India and China should identify areas of conflicting issues and consult it in a bilateral and multilateral forum. It will assist New Delhi to gain the economic benefits accumulating from the gradual warming of its dealings with Beijing. China will be able to catch a large market for its goods in South Asia. In fact, if the two countries establish cooperative relations, it is expected to be a win-win situation, Asian stability and progress will be observed. Ultimately, the world will be more peaceful. Overall, the region will be able to play a more significant role in the world, and South Asia could easily make the connection with East Asia, Southeast Asia, and beyond.

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