Bi-Annual Research Journal "BALOCHISTAN REVIEW" ISSN 1810-2174 Balochistan Study Cen tre, University of Balochistan, Quetta (Pakistan) Vol. 46 No. 2, 2020

# RISING CHINA: IMPLICATIONS FOR SOUTH ASIA Muhammad Hassan & Dr. Aurangzaib Alamgir

Balochistan University of Information Technology, Engineering and Management Sciences (BUITEMS)

#### Abstract

The Rise of China globally is an important development in the post-Cold war era. There is a debate among the scholars and politicians that whether its rise and becoming a power at regional level would be peaceful or violent. According to the logic of strategy given by Edward Luttwak, China would opt for economic or military development. In this case China since Deng era is developing on the economic side; Militarily China is not much developed to challenge Japan, ASEAN countries, India and others. In the South Asian region, China has increased its influence through the project of Belt and Road Initiative, which has thus given a chance to the smaller regional countries to get rid of the Indian traditional influence in the region. China Pakistan Economic Corridor is the largest Chinese investment in South Asia. This would not only develop Pakistan economically but militarily it will also support Pakistan to balance Indian influence in the region. Pakistan is the only country that can deter Indian hegemony in the region. China also wants to balance India through Pakistan. This would open the door for the new alliance formation between India and US, and Pakistan and China respectively. There may increase regional rivalry but due to the nuclear weapons, war in the near future is not likely to happen between China and India.

### Introduction

The increasing relations of China with South Asian countries in the last decade has created fears to her increasing influence by many powers, especially India and her ally United States of America. South Asia has historically been under the influence of India through her size, economy and culture. The rise of China through her 'soft diplomacy, aid and investment could bring some of the regional countries specifically the smaller countries of the region under her influence, thus could result in decreasing the Indian traditional influence in the region. On the other hand, some of the South Asian countries which are affected by Indian Influence are also trying to balance Indian dominance with the Chinese support. This would result in the increased rivalry and competition between the China and India in the region. Moreover, in order to secure her seaborne trade, China through her Maritime Silk road (a part of OBOR) is investing in the

construction of ports in the Indian Ocean region. The investment in many countries including the South Asian countries i.e. Pakistan, Maldives, Sri Lanka, Bangladesh in future would be the main beneficiaries of maritime silk road (MSR) and belt and road initiative (BRI). A clear Chinese position aims at securing sea lane route would give security to her economic growth and domestic political stability. As India is the largest country in the South Asia, it sees all these developments as an attempt of Chinese 'String of Pearl' strategy to encircle her as well as to get influence in the Indian Ocean region, which has traditionally been remained Indian sphere of influence (Chung, 2018). This would impact the region by changing the strategic landscape and would thus prompt India and Pakistan to form alliances with China and US respectively. This article would discuss how the South Asian countries look at Chinese BRI and MSR and the impact it could have on the future of South Asian Countries. This article has made reliance mainly on qualitative research method. The article is analytical and prescriptive. Mostly secondary sources have been used, such as books, journals, reports of important experts and academics. The study is explanatory and analytical with futuristic approach.

### **Theoretical Debates**

This article employs structural realism as a theoretical framework to understand China and South Asia. Also by employing Structural Realism, we will be able to understand its implications on South Asian region. The reason for using Structural Realism is that it sees international issues through system level approach, thus it would provide more inclusive approach in understanding the implications of Rising China on South Asia. The work of structural realism can be traced in the work of Kenneth Waltz's Theory of International Politics back in 1979. According to Waltz, problem lies not in the nature of individual, rather it is the anarchy at system level that explains the competitive nature of states in the absence of supreme authority (Chung, 2018). This theory tries to explain the similar behavior of the states in international system of anarchy despite having different political setup and histories. International structure emerges with the interaction of states, and this interaction in turn constrains states from certain actions and compels them towards others (Donnelly, 2000). Waltz, therefore, tries to identify the system level effects that if changes occur in some of its part may bring changes in other part of the system (Griffiths, 2007). Moreover, waltz does not believe in the aggressive nature of the Great Powers, rather he believes that the structure of Great Powers forces the states to pay consideration to the balance of power. Based on structural realism given by Kenneth Waltz, in the anarchic international system shift in relative distribution of capabilities mean that balance of power recurrently form in the international system. In addition to it, the main focus of Waltz is that in anarchic system, states act in defensive mode and preserve balance of power. In short, states preserve their position in the system through balance of power (Mearsheimer, 2001).

According to Waltz, the first priority of the state in the anarchic system is to preserve its position in the anarchic system by maintaining balance of power (Ibid) The Balance of Power can be maintained through different forms. Here in the case of China, it has been maintained

through balancing act. Waltz says that suitable response to the any threatening attitude is balancing (Griffiths, 2007). Furthermore, the ultimate aim of balance of power is to survive a state as an independent unit. Otherwise, this would push the state to submissive to the will of other state or even lose its security (Paul & Fortmann, 2004).

The balancing act of the balance of power theory is further divided into two parts; soft balancing and hard balancing. Soft balancing is a kind of implicit understanding among the states. It is basically an understanding among the states to balance against the rising power. It includes cooperation in armaments, helping in regional and global institutions and many others. On the contrary, in 'hard balancing' when things become open, hard strategies come to forefront especially state security is seriously threatened by the power state (Ibid) The case of rising China and South Asia is also viewed through the prism of soft balancing. The later part of the article will deliberate on China is using Soft balancing in order to create balance of power in the South Asian region.

There is a question whether Structural realism will remain relevant in the 21<sup>st</sup> century to deal the international issues? The answer is yes. It is relevant today as it was in the in the last part of 20<sup>th</sup> century As discussed above, Structural realism provides us with a wide-ranging look of international issues. The anarchic nature of international politics can be best understood through system level approach. Importantly, the rising China and its implication for South Asia could also viewed through system level approach. Will the Rise of China create balance of Power in South Asia? The answer is yes. China has expanded her sphere of influence in the East and now making her strong foothold in the South Asian region under the Belt and Road Initiative. In South Asian case, China has maintained strategic partnership with Pakistan. Importantly, Pakistan is a nuclear power country that can strategically balance India and would thus lessen the Chinese burden. Moreover, both China and India are growing economies and are involved in geopolitical competition to secure maximum influence over the region. Each is trying to balance the growing power of the other with the help of regional states (Tellis & Mirski, 2013). Furthermore, China is also making her relationship strong with the smaller South Asian countries like Bangladesh, Nepal, Sri Lanka, Bhutan, Afghanistan and Maldives. India, being largest country in South Asia has rivalry with China since past many decades. They have fought the 1962 war. In addition to this, during 1971 war, India threatened to block Straits of Malacca if China had supported Pakistan. India also claimed to have choked Karachi port during Kargil conflict by utilizing its power in the Indian Ocean. Now, China is on the mission to turn the tide in its favor through approaching the South Asian states (Dutta, 2017). Thus, the rising China is creating a scenario where smaller countries in South Asia that are threatened by Indian influence will try to balance it by making understanding among themselves as well as with China. This balance will benefit the regional states politically, economically and militarily, and thus, would be a check on Indian hegemony in South Asia.

### Indian Concerns and Responses to China in South Asia

In order to respond the Chinese growing influence in the South Asian region, India potential response would be different strategic option to secure its interests in this unstable environment. India would build its military capability so that it can face any future threat, and it can make a possible strategic partnership with United States of America, Japan and other Association of Southeast Asian nations (ASEAN) countries. While forming an alliance or partnership with the United States, India can counter Chinese influence in the region. Moreover, China is forming its say at United Nations and other international forums especially Asian investment and infrastructure bank (AIID) bank that can influence any Indian interests at the said forums. It can affect any decision by these forums to give India a vital role especially in its decision making body or regarding any amendment. In addition to this, Indian dominance in the region is being challenged by the Chinese economic assistance to the smaller south Asian countries and strategic partnership with Pakistan.

The economic rise of China and the subsequent development of military and diplomatic forces have given her a power to increase her grip the region. The aggressive behavior of China in the Arunachal Pradesh and its attempt to build road in the dispute Doklam region, and support to Pakistan in asymmetrical warfare have made both countries as an immediate threat to the Indian sovereignty. The terrain there in the northern India that borders China favors China not only in natural way but also due to their advanced infrastructure there. Though there has been no war between the two countries since 1962, yet India fears real threat from China especially its military buildup and presence of its naval forces in the Indian Ocean region (Rajagopalan, 2017). What is more important is that China currently is not interested or putting its commitment to resolve its border dispute with India. More importantly, China's presence in Pakistan occupied Kashmir, a region which is claimed by India to be its integral part has thus increased the Indian worries. Some of the Indian analysts believe that Pakistan wants to engage India to give perception of its relevance to the countries that wants to check the Indian rise. Pakistan's engagement with Russia, United States and China has prevented Indian diplomacy to convince these countries for not making any agreement with Pakistan that harms Indian interests. Each country is perusing its own interests and will keep on supporting till the terrorism animating from Pakistan could not endanger their interests, thus India would face threats from Pakistan as well (Meredith, 2007).

Another concern of India regarding China is that it has adopted a policy of 'external balancing' to influence the South Asian countries against Indian interests. This external balancing might also become a military threat to India in the future. India claims that China is boosting Pakistani military capabilities especially its nuclear weapons and missile program. Indian strategic circles fears that if this policy continues then there is a possibility of two prong attack from both China and Pakistan in any crisis and its manifestation can be seen through the enhancement of Chinese position through China Pakistan economic corridor (CPEC). Moreover, not only Pakistan, China is also investing in other South Asian Countries like Bangladesh, Sri Lanka, Afghanistan, Maldives and Nepal to encircle India and to lessen its traditional influence in the region that has been present there for decades (Rajagopalan, 2017)

One of the Indian apprehensions is that China is encircling her through her 'debt trap' policy. It is the policy in which China gives loans to smaller South Asian Countries. When these countries are unable to repay the debt, China will take the ownership of the investment made in the said countries that could be used for strategic purpose against India. Hambantota port is the classic example of China's 'debt trap' policy. Moreover, India is also worry about the diminishing role of its ally USA in the South Asian region and the surrounding of India by China's allies has put her on defensive mode in the region.

The foreign policy goals of India are also threatened by China at international forums. Indian believes that Chinese intention to contain India is not confined to South Asian region. China has practically snubbed any Indian move at international forums be it Indian move against Masood Azhar (a Pakistani based militant who is declared terrorist by India) at United Nation Security Council (UNSC) or getting membership at Nuclear Suppliers Group (NSG) China has voted against the Indian move. Furthermore, with the establishment of different international institutions like Asian investment and infrastructure development bank (AIID), Shanghai cooperation organization (SCO), Brazil, Russia, India, China and South Africa (BRICS), China may also counter any Indian foreign policy goal through these institutions (Rajagopalan, 2017). India also believes that china leaves no stone unturned to contain India. It has been evident from the fact that China had been failed to condemn the Mumbai attack perpetrators; opposed United Nations (UN) sanction of Hafiz Saeed, and Nuclear agreement with Pakistan in 2006 to install 2000 megawatt (MW) nuclear power plant counter to US nuclear deal.

Indian concerns that its sovereignty has been breached by the issuance of visas to the people of Jammu and Kashmir on loose paper instead on passport. The same was also tried by China when in 2010, it tried to give visa to the then Lt. Gen. BS Jaswal, Commander Northern Command, on the same paper when he was invited for high level military talks with the high command of Peoples Liberation Army. It was resulted in the cancellation of high level talks, and India took a stance that until China changes its stance, Indian won't resume these talks.

Interestingly, to deal China, India has adopted three forms of policy from the last two decades i.e. engaging China; to balance its power and to support for a stable security setting in Asia. Indians were of believe that by diplomatic engagement, adjustment to the Chinese interests will bring upon some accommodating approach to the Indian interests from Chinese side. The policy of accommodating China didn't work well, so there was a growing concern among the circles of Indian policy makers that India must insist about reciprocity in its dealing with China. Moreover, the growing trade and economic relationship between the two countries has thus allowed mitigating some political differences, but still it was unable to resolve some outstanding relations with Great powers especially United States and Japan, and its effective diplomacy and its increasing influence has made China uneasy with any changing strategic outcome in the region.

To counter China has formed an informal alliance with United States. Through support of US and its allies, India would try and is trying to strengthen her military capabilities so that it

could be able counter any Chinese threat in the future. India though has no formal alliance with the United States, yet its position in the time of crisis without physical intervention could divert the Chinese attention. The strategic cooperation between the US and India and the Great powers support is enabling the Indian diplomacy to expand her influence at United Nation and other International forums, which indicates that Indian intentions is not confined to counter China rather it has a global agenda (Dutta, 2011).

Militarily, India has adopted geo political approach to back its diplomacy. This has practically manifested with its nuclear explosions in 1998 despite having huge international pressure to prevent any nuclear tests. Great powers slowly started understanding Indian position and the anti-nuclear lobby went on the back foot. The Indo US nuclear deal and its acceptance by Atomic energy agency and the Nuclear Suppliers Group is the practical manifestation of convincing capability of the Indian diplomacy on its way to become global power (Kapur, 2010). Furthermore, the success of Indian diplomacy that led to the Indo US nuclear deal has achieved two of its objectives; one was the creation of a successful front of Western world against China and secondly it had exposed the hidden Chinese agenda in its bilateral relationship with India. It has also failed the Chinese diplomacy to isolate India regarding its nuclear status at International level (Ibid). Moreover, in order to mitigate Chinese influence in the South Asian region, Modi has doubled his visits to the South Asian countries by stressing infrastructural development, people to people contact and allowing the neighboring countries to benefit from the Indian development (Anderson & Ayres, 2015). Through bilateral relationship, government of India is trying to strengthen her relationship with neighboring South Asian countries especially Nepal, Bhutan, Bangladesh, Sri Lanka, Maldives, and Afghanistan in terms of economic partnership and aid in development projects (Pant, 2007).

Despite having many issues between China and India, both countries are largest trading partner to each other while at the same time both are flexing their muscles for competition in international markets. Though many issues like border issue still remain unresolved, both China and India have mechanism to deal with the issues like flow of rivers from one country to another and lowering down the trade deficit between the two countries. Moreover, at international forums, both countries work also together especially at World Trade Organization and conferences on climate change. China and India while supporting their core interests are always in a state of cooperation and competition. If it comes to economy, both supports each other's like they did in the establishment of Asian Infrastructure Investment bank and when it comes to the belt and road initiative, India hesitate to support it as it directly threatens its sovereignty (Meredith, 2007).

## The Pakistan Factor in Sino India Relations

To understand the Sino Indian relations, it is necessary to understand the Pakistani position that is influencing the Sino Indian relations in the region. Since 1960s, Pakistan is China's strategic partner and got considerable support in Indo Pak war of 1965 and 1971 (Hilali, 2017). This 'higher then Himalayas and deeper then ocean' friendship has strengthened over the period of time and Pakistan became the largest importer of Chinese defense exports. China has supported Pakistan in both conventional and unconventional know how and helped her in its development of military hardware and nuclear capabilities. The Chinese strategic support to Pakistan indicates that it considers Pakistan as a strategic balance to Indian rise in the Southern Asia region.

On the other side, India sees Chinese support to Pakistan as its 'strategic encirclement' that could help China to prevent India from becoming a powerful and dominant state in the South Asian region. An American analyst famously known as Stephen Cohen believes that China has pursued her policies in order to balance India through her support to Pakistan, and this attempt to balance the power has also been echoed from the Indian side by highlighting the Chinese support of Pakistan nuclear and missile program. Moreover, India also believes that without Chinese support it would not have been possible for Pakistan to develop her nuclear weapons. In addition to this, another Indian complain against Pakistan is that it is involved in so called 'cross border terrorism', Indian Parliament attack of 2002, Mumbai attack of 2008 could not be possible without a support of other power (Currier & Dorraj, 2011). Thus Pakistan continues to impact the Sino Indian relations.

To answer the Indian queries, China rejects the claim made by India on the pretext that China has always wanted an amiable relationship with all South Asian countries irrespective of their power. In her defence China claims that it has supported the resolution of Kashmir issue on bilateral level and took a neutral stance during the Kargil crisis. More importantly China has always stressed and supported peaceful relationship between Pakistan and India and to resolution of their outstanding issues bilaterally (Krishna & Chari, 2001)

To sum up the Pakistan factor in Sino India relations, it is obvious that Pakistan would in future likely to impact Sino Indian relations. China would continue to support Pakistan diplomatically at different forums especially at International level. China would not abandon Pakistan due to its strategic location as it provides her easy access to Indian Ocean and an entrance to the Persian Gulf and more importantly Pakistan position in the Islamic world also push China to strengthen her relationship with Pakistan. But India considers herself to be emerging globally and dominating the South Asian region has been snubbed by the Chinese support to Pakistan.

### The Rise of China and South Asia

There is a debate that whether the rise of China is an opportunity or threat among the South Asian States? Many countries of the South Asia have acknowledged the rise of China, yet there are some countries including India that are suspicious of China's political influence in the region. South Asian countries do not see the impact of rise of China collectively, rather they see through individual state lens and in accordance to their bilateral relationship. China is pursuing three projects of its Belt and Road initiative i.e. CPEC, Bangladesh-China-India-Myanmar (BCIM) and Maritime Silk Road (MCR). This would have different impact on the South Asian countries that depends on the nature of relationship of these Countries with China (Chandran, 2016). The impacts of the China Rise in its engagement with South Asian Countries are as follows.

According to the senior Sri Lankan diplomat in US, The foreign policy of Sri Lanka has always been to have balance between the two powers India and China, but the recent developments has shown that the scenario is tilting toward China. He further said that Rajapaksa government has ignored the geo political needs of the region and moved towards Chinese 'debt trap', thus made it difficult for Sri Lanka to come out of debt problem. More importantly, the suspicion over the Chinese investment is increasing especially its investment in the construction of Hambantota port and Colombo port city will be renewing Sino Indian rivalry over Sri Lanka. China can use her economic investment as leverage and use this leverage for strategic purposes. Its manifestation could be witnessed when in 2014 Chinese submarine surfaced twice at Hambantota surprised many in Sri Lanka as well alarmed India over this development.

The impact of Chinese investment in Sri Lanka has both positive and negative sides. The positive side starts from its growing relationship with Rajapaksa government in 2005 when he wanted to the end the war with Tamils that had continued for many decades. When India refused to support Rajapaksa government in its fight with Tamils, it was China to fill the gap and boosted her aid from few hundred million dollars to one billion dollar in 2008. Sri Lanka was provided with jets, radars, ammunitions etc. It was China that prevented the United Nations to get inquiry into the humanitarian crisis that was done during Rajapaksa military use against Tamil minority. Thus it saved Sri Lanka from embarrassment and any possible international sanctions.

The negative side of the Chinese investment is that Sri Lanka's one third of revenue goes to repairing eight billion dollar Chinese debt. While the inability to repay the debt of Hambantota port, Sri Lankan government gave the lease of four berths out of total seven to Chinese consortium for 99 years (Carrai, 2018). Moreover, in 2013 Chinese company got lease of 99 years to construct Colombo port city with the total ownership of round about 50 acres in total. These were the signs where the Chinese in future would be trying to exert her political influence through economic means and there would be a possibility of tug of war for influence between the regional powers especially China and India.

Indian believes that China is using her money to create clients of dependent states in the Indian Ocean region while challenging the India influence that has remained there for the decades. Regarding Maldives, the opposition parties in the country believe that 70 percent of the total Maldives debts are Chinese. The Maldives government would have to pay 92 million dollar yearly, which accounts 10 percent of the total budget. Furthermore, the opposition parties fears that Maldives like Sri Lanka might trap in Chinese debt, and Chinese could demand an access to the natural resources of Maldives in exchange. This may not be good for the sovereignty of the Island as has been done in some other smaller countries. Opposition parties have also accused President Abdullah Yameen for allowing China to take 16 of their Islands for his personal gains.

The public discontent has forced President Yameen to declare emergency including the arrest of Supreme Court Judges. These actions have alarmed the other powers as well as international institutions, even UN human rights chief declared President's action as violation or 'assault on democracy'. These developments have also worried India and the former President Nasheed has called Indian help to stabilize the crisis hit Island. Moreover, this crisis could affect

- 167 -

the Maldivian economy as it is largely dependent on the tourist visits in the country. To sum up, it can be said that by investing in Maldives, China is struggling for political leverage across the India Ocean and this will add further competition for great game in the Indian Ocean region (Manning & Gopalaswamy, 2018).

The impact of China Bangladesh relations will not be in isolation rather it would be under the international strategic context. What Bangladesh is trying is to act in balancing mode among the great power interests. As china has invested in various sectors in Bangladesh and its trade volume has exceeded that of India is worrying India and there is Indian pressure on Bangladesh for not becoming part of Chinese encirclement of India. Unfortunately, Bangladesh is under pressure especially from India to opt for securing her interest and this has been reflected through her opposition to the Chinese construction of a port near Chittagong (Kibria, 2011). Moreover, the Chinese project of BCIM and securing sea lane from Strait of Harmuz to Strait of Malacca will definitely upset the US and India strategy to contain China in South Asia and Indian Ocean region.

It is important to note that China's investment in Bangladesh could not be resulted as per the wishes of the Bangladeshi political elite; rather China will invest according to its own strategic calculations. It may have negative impact on the socio-economic and political development of the Bangladesh. While China is investing in the local industries, it is dealing with the central authorities while ignoring the locals so it is resulting in a ownership problem, which in future could hamper the smooth functioning of the industries as well as creating discontent among the public regarding security. Some analysts in Bangladesh believe that China's support in the modernization of Bangladesh military could influence its military to endanger the safety of 'Siliguri corridor' that divides north eastern India from the main land. It would thus create further distrust between China and India, which is not good for the economy of Bangladesh.

The Chinese support to Bangladesh military through providing military hardware and its constant support is undermining the civilian authority in the country thus limiting the civilian decision making power in the country. This will also slow down the democratic transition in the country as well as to counter Islamist fundamentalists that supported by the Bangladesh military (Wolf, 2014). Thus, if Bangladesh keep on depending Chinese aid and assistance, its foreign policy would be dependent on the Chinese guide line as has been witnessed in case of Vietnam and 'Taiwan's office affairs' back in 2004.

While China is to a large extent successful in making inroads in other South Asian countries but remaining one is Bhutan, which is dependent on India that why India has been successful in preventing her to come under the Chinese influence. After revising the special treaty of 1949 in 2007 with India, Bhutan is more independent in its foreign policy and other military related matters. Bhutan wants to move ahead diplomatically with China and is possible only when both will try to resolve the Doklam problem (Ethirajan, 2018). Bhutan also wants to have balance between China and India and desires not to be sucked between the rivalries of these two powers. She fears that competition between China and India could affect her negatively as

happened during Doklam crisis of 2017, when Indian troops crossed over to Doklam to stop Chinese from making road on behalf of Bhutanese government as per security treaty between the two countries (Shukla, 2018).

Many of the smaller South Asian countries including Nepal see the rise of China as a platform where they could balance the Indian hegemony over the decades in the South Asian region. Continuing on the same line, Khadga Prassad Oli's government started to have warm relationship with China and was struggling to counter Indian coercive attitude of blocking the border between the two countries. To develop her economy, Nepal became the part of China's belt and road initiative, which is now worrying India because after BRI, India would lose a natural buffer zone between the two Countries. India worries that after agreeing different energy and infrastructure projects, Nepal may fall to Chinese 'debt trap' like it had happened in Sri Lankan case. It could be used as a political leverage by China to lessen the India influence in Nepal.

The positive side of the impact of Chinese rise on Nepal is that as Khadga Prassad Oli came to power, he started taking steps to get closer to China so that the dependence on India could be lessened. Domestically, he wanted to increase Nepal's economy of 21 billion dollar to reach middle income position, and to get this position, Nepal needed to invest 2.3 percent of its GDP on infrastructure, which could only be possible through Chinese belt and road initiative (Asian Development Bank, 2018). Nepal considers China as an alternative transit route as compared to India. This has been manifested when India blocked the transit route in 2015 and the gap was filled by China thus allowed Nepal to use Chinese land for its transit products. Moreover, Nepalese economy is growing and with the help of BRI, 70 percent of the total investment in Nepal was Chinese in fiscal year 2017 (Iyer, 2019). It must be not that unlike other South Asian countries, Chinese investment in Nepal is based on soft loans and aid that's why the case of 'debt trap' seems little relevant here. It can be said that one cannot overlook the strategic implications of China Nepal relations especially by India, yet it seems that this strategic concern has been too exaggerated in case of Nepal.

In the case of Afghanistan, China has direct security and economic interests in this country. Regarding its security, this country has link with Chinese restive province Xinjiang and economically, Afghanistan is the connection between East Asia and south and west Asia. Thus it is an important aspect of Chinese belt and road initiative. China has maintained a balanced approach among the different factions in Afghanistan that is why it is respected by all. The Chinese method of investment make others uncompetitive to the Chinese companies while have constructed rail and road network to the mines will not only attract the investors but is also benefiting the locals by using these infrastructures for their needs. As China fears east Turkistan Islamic movement (ETIM) could ignite resistance in its Xinjiang province, it came to a strategic cooperation agreement with Afghanistan in 2012. This level of Chinese involvement would therefore give Afghan government a power to fight against terrorism as well as lessen its burden by getting support of another ally in the form of China. According to Afghan Institute of Strategic Studies, China would never want Taliban to come into power that is why it will put its

pressure in bringing peace in its immediate neighbor as well as it strengthens Afghan government to have control over its country (Khan, 2015).

To conclude, this article has deliberated on the impact of rise of China on South Asian order. Its impact on South Asian countries be it political, economic or diplomatic has been discussed separately. It has been concluded that some of the South Asian countries want to balance India by promoting their relations with China, while some leaders are giving favorable business deals to the Chinese only for strengthening their political positions in their respective countries. The Chinese method of 'soft diplomacy' aid and investment has shown to the world that its rise is peaceful and does not contain any aggressive designs. The only worrying case identified in this article was Hambantota port, which the Sri Lankan government failed to repay its debt and resultantly was handed over to the Chinese company for 99 years. Furthermore, the impact of China's rise and its impact on India was extensively discussed especially Indian fear of its encirclement through Pakistan and in Indian Ocean through Chinese 'String of Pearl' policy. Moreover, the article discussed the possible forming of balancing alliances between China and Pakistan, and between India and some outside regional power especially the United States. The article also discussed the negative impact of the Chinese rise on the South Asian states but gave hope for smaller states to come out of the dominance of both China and India.

### References

- Anderson, A., & Ayres, A. (2015). Economics of Influence: China and India in South Asia. *Council on Foreign Relations*, 7.
- Asian Development Bank, (2018), Microeconomic Update Nepal, Vol. 6, No. 2, <u>https://www.adb.org/sites/default/files/institutional-document/454881/nepal-macroeconomic-update-</u> 201809.pdf
- Carrai, M. A. (2018). China's Malleable Sovereignty along the Belt and Road Initiative: The Case of the 99-Year Chinese Lease of Hambantota Port. *Available at SSRN 3346116*.
- Chandran, S, (2016), China's Rise and Opportunities for South Asia, The Friday Times, July 29.
- Chung, C. P. (2018). What are the strategic and economic implications for South Asia of China's Maritime Silk Road initiative?. *The Pacific Review*, *31*(3), 315-332.
- Currier, C. L., & Dorraj, M. (Eds.). (2011). *China's energy relations with the developing world*. A&C Black
- Donnelly, J. (2000). Realism and international relations. Cambridge University Press.
- Dutta, P. K. (2017). Can China really encircle India with its String of Pearls? The great game of Asia. *India Today*, 15.
- Dutta, S. (2011). Managing and Engaging Rising China: India's Evolving Posture. *The Washington Quarterly*, 34(2), 127-144.
- Ethirajan, A., (2018), Bhutan's 'Shangri-La' Caught between Two Rival Superpowers, *BBC News*, April 9, <u>https://www.bbc.com/news/world-asia-43655391</u>
- Griffiths, M. (Ed.). (2007). International relations theory for the twenty-first century: an *introduction*. Routledge.
- Hilali, A. Z. (2017). US-Pakistan relationship: Soviet invasion of Afghanistan. Routledge.

- Iyar, G., (2019), As China woos Nepal, some lessons for India, *ORF Issue Brief No.* 274, January 2019, Observer Research Foundation.
- Kapur, A. (2010). India and the South Asian strategic triangle. Routledge.
- Krishna, A., & Chari, P. R. (Eds.). (2001). Kargil: The tables turned. Manohar Publishers.
- Kibria, R., (2011), The Political Dimension of Bangladesh-China Bilateral Relations, *BIISS Journal*, 1-4.
- Khan, R. M. (2015). China's Economic and Strategic Interests in Afghanistan. *FWU Journal of Social Sciences*, *1*(1), 74.
- Manning, R. A., & Gopalaswamy, B. (2018). Is Abdulla Yameen Handing Over the Maldives to China?. *Foreign Policy*, 21.
- Mearsheimer, J. J. (2001). The tragedy of great power politics. WW Norton & Company.
- Meredith, R. (2007). *The elephant and the dragon: The rise of India and China and what it means for all of us.* WW Norton & Company.
- Pant, H. V. (2007). India in the Asia–Pacific: rising ambitions with an eye on China. *Asia-Pacific Review*, *14*(1), 54-71.
- Paul, T. V., Wirtz, J. J., & Fortmann, M. (2004). *Balance of power: theory and practice in the 21st century*. Stanford University Press.
- Rajagopalan, R. (2017). *India's Strategic Choices: China and the Balance of Power in Asia*. Carnegie Endowment for International Peace.
- Shukla, A, (2018), Doklam a Year On: Bhutan More Worried about India than China, *South China Morning Post*, August 18, <u>http://ajaishukla.blogspot.com/2018/08/doklam-year-on-bhutan-more-worried.html</u>
- Tellis, A. J., & Mirski, S. (Eds.). (2013). *Crux of Asia: China, India, and the emerging global order*. Carnegie Endowment for International Peace.
- Wolf, S. O. (2014). China's Strategic Interests and its impacts on Bangladesh, APSA, Paper Nr. 11/2014, <u>http://crossasia-repository.ub.uni</u> heidelberg.de/3498/1/SOW.ChinaStrategicInterestsBangladesh.20143103.pdf