



Analysing Emerging India-China Relations in the Context of Maritime Silk Road

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In Modern and Contemporary world connectivity, including infrastructure developments have long been recognized as an integral component of global political and economic change as well as a reflection of new political and economic realities. Regarding the former, Sir Halford Mackinder's influential contribution to classic geopolitics was based upon the transformative effects of railway routes (Mackinder, 1904, p.421-37). China's Maritime Silk Road Initiative (MSRI) and its cousin the Silk Road Economic Belt, collectively known as "One Belt, One Road" (OBOR) initiative, are contemporary connectivity projects entailing massive infrastructure components that have generated heated discussion about their potential to transform the global geopolitical landscape (Len, 2015, p.1-18). After US getting out of Trans-Pacific agreement and several South Asian countries are joining this Chinese project, it has forced India to think again the strategy of China. India definitely sees this project as a challenge for its sovereignty. Increasing tension between China and its neighboring countries in South China Sea is an opportunity for India. In the context of increasing security challenges and threats to the freedom of navigation and overflight in the South China Sea, along with other non-traditional security issues in the maritime domain such as piracy and terrorism, there is a critical need for an enhanced India-China maritime cooperation (Annual Report on the Development of the Indian Ocean Region, 2015).

I just divided this paper into three parts. Part first relates to what is Maritime Silk Road and its consequences in general and specially on India and China. Second part is related to India-China relation. Reason for adding this part is to see what are the contentious issues between two and how it will be helpful from the perspective of India, in strengthening relations with China. And finally third part is dealing India Vietnam relation. Here the relation is not analyzing historically rather it focuses on present situation and challenges before India from MSR.

China unveiled the concept for the Twenty First Century Maritime Silk Road (MSR) in 2013 as a development strategy to boost infrastructure connectivity throughout Southeast Asia, Oceania, the Indian Ocean, and East Africa. The MSR is the maritime complement to the Silk Road Economic Belt, which focuses on infrastructure development across Central Asia. Together these initiatives form the One Belt One Road (OBOR) initiative designed to enhance China's influence across Asia (Green, 2018, p.1).

This is fact that, there is shortage of infrastructure investment to meet the needs of developing nations across the Indo-Asia-Pacific region and this is why most nations have welcomed the opportunity to bid for Chinese funding. At the same time, there are growing questions about the economic viability and the geopolitical intentions behind China's proposals. Thus far MSR initiatives have mainly been concentrated in the littoral states of the Indo-Pacific region, especially port development projects, which is raising questions about whether these investments are economic or military in nature. These large-scale investments are also structured in ways that invite questions about the potential for China to exert undo leverage over the domestic and foreign policies of heavily indebted recipient countries (Green, 2018, p.1).

The Maritime Silk Road (MSR) idea is part of this wider attempt by China to construct multiple lines of communication to its economic heartland in eastern China since the early 2000s. The underlying aim of such a geo-strategy is to also develop inner Chinese provinces and shape China's regional periphery by exercising economic, political and cultural influence (Xinhua, 10 June 2014).

In May 2014, Xinhua unveiled maps showing China's ambitious Land and Maritime Silk Roads (Shannon, 2014). The MSR envisions an 'economic cooperation area' stretching from the Western Pacific to the Baltic Sea as a sort of maritime highway buttressed by Chinese-supported infrastructure and port facilities in states straddling maritime routes along which China's trade and natural resources flow. According to the Xinhua map, the MSR will begin in Quanzhou (Fujian province) (The Hindu, 20 July 2014), and also touch Guangzhou (Guangdong province), Beihai (Guangxi) and Haikou (Hainan) before heading south to the Malacca Strait. From Kuala Lumpur, the MSR heads to Kolkata, and then crosses the northern Indian Ocean to Nairobi, Kenya. From Nairobi, the MSR goes north around the Horn of Africa and moves through the Red Sea into the Mediterranean, with a stop in Athens before meeting the land-based Silk Road in Venice. According to China's official discourse, the MSR will bring 'new opportunities and a new future to China and every country along the road that is seeking to develop'(Ibid).

As currently envisioned, the MSRI will incorporate and/or connect with multiple distinct transportation corridors such as the China-Pakistan Economic Corridor, the decades-old United Nations Economic and Social Commission Trans-Asia Railway that connects Kunming to Thailand, China Bangkok-Laos and Kunming-Vietnam-Cambodia, the Mekong River Development initiative, the Chin-India-Bangladesh-Myanmar Economic Corridor, and the multilateral Greater Mekong Sub region Economic Cooperation Program (Hutzler, 2015; Xu 2015; Chang, 2015; Jiemian, 2015; Ellis,2015, p.11).

Along with the "Silk Road Economic Belt", the "21st Century Maritime Silk Road" proposal is an important part of China's new infrastructure diplomacy under the new Chinese government, with its objective of strengthening its relations with neighboring countries through investment in infrastructure (Chaturvedy, ORF, Feb 10, 2017). The Philippines, the second-largest Southeast Asian state by population, seems to be excluded from the maritime silk route. Some Western scholars believe that China deliberately avoided the Philippines, meaning that "smaller countries around China need to accommodate themselves to the values in order to avoid the loss of rights and privileges in the community of common destiny sponsored by China"(see Arase, 2015).

However, another document asserts that Beijing has also promoted a new Maritime Silk Road to connect China with ASEAN countries particularly Philippines, the eastern part of Indonesia, and Australia (Quoted from "ASEAN-China Connectivity Development", Research report submitted by Economic Research Centre (LIPI), November 2014). The new Silk Roads are driven by different views. As far as economy is concern, the plan indicates a change in China's strategy on economic development. After three decades of high growth driven by massive investment and exports, China is now the second largest economy in the world.

However, China's economy also faces many problems, such as over-production capacity, serious pollution problems and unbalanced growth in various regions. The new Chinese leadership under Xi Jinping and Li Keqiang have set an annual growth target of 7.5 percent since 2012, based on the "new normal" of slower but better quality growth. President Xi Jinping, in his keynote speech at the Asia-Pacific Economic Cooperation (APEC) CEO Summit in Beijing on 9 November 2014, had publicly embraced this lower but more stable growth as the "New Normal").

But this shift to a slower and more sustainable growth model has created headwinds in several key sectors, including the large-scale steel industry and other infrastructure-related sectors such as aluminum, cement and coal. The stimulus policies of the previous government during the global financial crisis in 2008 - which generated excessive investment in facilities ranging from steel mills to cement factories - added surpluses to production capacity and reduced China's productivity. China is hoping that external infrastructure investment will help expand overseas markets for its enterprises and develop new bases for sectors that have surplus output, particularly the iron, steel, aluminum and cement industries.

China has US \$ 3.9 trillion in its foreign exchange reserves. Over the past 10 years, a large part of its foreign exchange has been invested in US Treasury bonds (by the end of 2013, China's US debt holding reached US \$ 1.27 trillion), which has kept US interest rates low and support global economic growth. China has continued with its financial recovery and is shifting from US Treasury debt to other assets. It intends to increase its economic returns and make better use of its foreign exchange reserves to serve important geopolitical interests. The Financial Times quoted a Chinese official as saying "this is a big change, the pace may not be very fast, but we want more creative use of our foreign exchange reserves to be invested in global development projects, not buying." Not just like a conditioned reflex to buy American Treasury Bonds. Anyway, we are usually taking a loss by investing in US government bonds. So we must invest But there is a need to find ways to improve its return "(Noble, 2014). Against such a backdrop, new government initiatives, such as the Maritime Silk Road, AIIB, and the Silk Road Fund serve to diversify foreign reserves as well as to Encouraging Chinese companies to invest and bid for contracts in countries along these planned routes.

Politically, it signals a shift in the direction of China's foreign policy. As China's economic power grows, economic and strategic considerations have increased the importance of China's relations with its peripheral countries. There are three schools of thought regarding policies related to peripheral countries: The first is the "March West" approach which believes that China should actively develop relations with countries on its western periphery, thereby strengthening cooperation in the field of energy and commodities channel creation, cultural exchange and combating the "three forces" (of terrorism, separatism and extremism) ((Global Times, 17 October 2012).

The second is the "go south" approach that claims that since Central Asia is under Russia's sphere of influence, China's "march west" will attract Russia's attention. As China does not yet have sufficient strength to confront the US in the east, a more desirable option would be to "go south" ((World Knowledge, no. 24, 2013). The third approach advocates a "great peripheral" approach). It believes that the geographic regions of China's "great periphery" should cover Northeast Asia, Southeast Asia, South Asia, West Asia, and the Pacific. China's diplomacy should coordinates these "six plates" and must integrate the two ideas of "maritime breakthroughs" and "Positive march westward" (World Economy and Politics, no. 6, 2013).

So far now, ASEAN is adopting a dual approach towards the US and China. Although it continues to depend on the US on security matters, it has responded enthusiastically to many of China's economic plans and initiatives. The disconnection between China's economic strength on the one hand and the important security role played by the US on the other, highlights the imbalance of power in the region (FT Chinese net, 30 December 2014). This gap or hedging approach has nevertheless benefited ASEAN by giving member countries the ability to take advantage of competition among larger powers. However, ASEAN states found themselves caught up in the ebb and flow of the US – China rivalry at other times (Stratfor Global Intelligence, 10 November 2014), and found greater difficulty in amalgamating these two very important relationships.

China is working vigorously to thrive MSRI. To illustrate, it has created a \$ 40 billion "Silk Road Fund" (SRF), an infrastructure vehicle that will fund the construction of MSRI and other infrastructure. Also, it has set up a \$ 50 billion Asian Infrastructure Investment Bank, which is not focused solely on financing MSRI-related projects, although this would certainly be one of its objectives. Beijing will also provide other funding sources for MSRI. For example, China Development Bank plans to invest more than \$ 890 billion (John Liu, November 8, 2014; He, May 28, 2015 and Economist Intelligence Unit (EIU), A Risk Assessment Geopolitics Report, 2015, p. 3–4; Jia, August 19, 2015.).

On top of this, in August 2015, China's State Administrative Office of Foreign Exchange (SAFE), which manages China's foreign exchange reserves, entered into Development Bank of China and Export-Import Bank of China ("China Exim Bank") Injected \$ 90 billion, to support MSRI and other development / infrastructure projects (China.org.cn, January 14, 2016). Crucially, China has done more than just create financial institutions and boost its financial reserves. According to official Chinese media, China Exim Bank in 2015 funded more than 1,000 MSRI and SREB-related projects in sectors such as power, resources and transportation.

Beijing's growing cooperation with India's neighbors has caused uneasiness in New Delhi. Like any rising power with global ambitions, China is looking to expand its presence and raise its profile beyond its neighborhood. Naturally, as China's influence in South Asia grows, India faces the challenge of managing its relations with its largest neighbor and competing to maintain its prominence in the region. India has begun to see China's commercial initiatives as a means of furthering its strategic ambitions that are often not conducive to India's interests.

Former Indian Foreign Secretary Subrahmanyam Jaishankar said in 2016 that "the interactive dynamic between strategic interests and connectivity initiatives - a universal proposition - is on special display in our continent" (**Indian Ministry of External Affairs, "Speech by Foreign Secretary at Raisina Dialogue," March 2, 2016**) They made a "rigorous exercise" to caution against countries using connectivity. -Responses affect the choice" (Ibid). The view that connectivity provides a set of tools to influence other countries' foreign policy choices has become common in analyzes about the China-led Belt and Road Initiative (BRI). BRI has received much attention, positive and negative attention since its inception in 2013. It is one of the largest initiatives in the world to promote connectivity and provide funding for finance infrastructure development. In South Asia, the BRI underscores the growing Sino-Indian competition in the subcontinent and the Indian Ocean region.

India has started preparing policy responses. In its strongest stand on the BRI to date, India registered its protest in May 2017 by not participating in the Belt and Road Forum organized by China. In official statements, India questioned the initiative's transparency and procedures, and New Delhi opposed the Sino-Pakistan Economic Corridor (CPEC) due to concerns about regional sovereignty. As India calibrates its policy response rather than considering BRI as a project, it would be wise to see this initiative as the culmination of various bilateral initiatives, many of which include projects that are actually formalized by BRI Was started before it was started. For example, the Bangladesh-China-India-Myanmar (BCIM) economic corridor, for example, was started in the 1990s. Similarly, China's Twenty-First Century Maritime Silk Road (MSR) is a combination of bilateral infrastructure projects in the Indian Ocean region that China has sought to project as a multilateral initiative.

India is a key part of Chinese plans for the maritime silk road—a series of trade routes that would originate from china's Fujian province, passing through southeast and south asia towards Europe. What remains toxic, however, is the issue of South China Sea where Hanoi claims all of the Paracels, occupied by China, as well as the Spratlys, where the Vietnamese control 25 of the "rocks", as compared to just seven by China. More recently, the two countries have had issues with oil

exploration, with China insisting that many blocs Vietnam has put on the international market are part of its territory, while in turn, China has offered areas which fall in Vietnam's EEZ.

Although the South China Sea arbitration case has come to an end, many Southeast Asian countries have raised concerns about China's nine-dash line. Following the Permanent Court's arbitration ruling, China first defined the legal meaning of its nine-dash line, confirming that all the islands and all adjacent waters within this line were Chinese sovereign territories. 'China's expanded concept about maritime sovereignty poses a serious challenge to Vietnam's territorial integrity'. Kishore Mahbubani, dean of the Lee Kuan Yew School of Public Policy, noted that "at the atypical emotional defense of China's nine-dash line in the South China Sea is against its larger global interests". He believes that "China has prioritized the region at the expense of its global interests".

Another serious concern in Southeast Asia is whether China is undermining ASEAN unity. In theory, China could afford to isolate 10 relatively weak ASEAN member states. But in practice, China is helping ASEAN countries by increasing infrastructure connectivity in Southeast Asia. Several railway construction projects and jointly industrial park development under China's MSR initiative have so far been conducted within a bilateral cooperative framework. This has caused serious concerns among Southeast Asian countries. Some people are concerned that China has the power to set the terms of the agreements and may then shape the economic and political future of ASEAN countries. In this sense, MSR can destroy ASEAN unity and weaken its consensus principle (Zhoo, Asian Review, Dec 16, 2016).

The possibility of building a modern maritime silk road passing through the South China Sea is suspected, which Vietnam calls the East Sea, continuing dog experts concerned with ongoing regional disputes in the region. From Vietnam's capital, Ha Noi, the former head of the country's national border committee, Tran Kang Truk, said any initiative to promote trade cooperation and development in the region and in the world was welcomed. However, he said that China's Maritime Silk Road idea was quite complex. "The proposed route will cross the East Sea area where complex conflicts exist and is one of the hot spots in the region. I don't think there should be any initiative to change the status quo of this important region," Truke said. He said that the parties concerned needed more time to study the initiative (Yukon, The Diplomat, April 25, 2014).

The MSR should be understood as part of China's effort to 'reorder Asia' and 'weaken American alliances' in Asia. Some analysts also traced MSR as part of the Chinese re-assurance posture to 'diffuse the tension' over China's maritime periphery after a period of uncertainty over Chinese maritime behavior. It is also seen as a policy to complicate America's strategy rebalancing strategy, by softening ASEAN elites renewed interest in reaching the US, Japan and perhaps, even India. A former diplomat believes that 'an economics-driven concept that would resonate well with the IOR Littoral "will burn the image of China's peaceful rise ... on the face of it a non- for defense or power. Military and alternative paradigms. Contrast oriented paradigm (and) of US and Japanese concepts. China's official discourse offers such an approach: 'A certain individual country (Japan) consistently promotes its own values and political systems and a "zero-sum" mentality, which complicates the regional situation. . To be separated, Silk Road Spirit means peace and victory cooperation 'To be different, the Silk Road Spirit means peace and win-win cooperation' (Xinhua, 6 June 2014).

The Indian dilemma is as follows. The fact that China is promoting two corridors (Continental and MSR) as part of its developed regional geo-strategy and that 'India lies on both the sea silk route and the southern silk route' poses opportunities and challenges for India in the light of other potentially Alternative economic options through strategic partnerships with Japan and the US. For example, refusal by India and acceptance of MSR by ASEAN and most of the South Asian states will leave India as an outcast and send a clear signal of India to the wrong side of China. This is perhaps further

complicated by India's self-proclaimed intention to attract large-scale Chinese investment capital to many industrial parks in India.

Such a paradox means that India will keep a tight eye on the development of the MSR proposal as it cannot afford to be excluded from the emergence of a new geo-economic trend in Asia's political economy. Analysts argue that India could conceptualize other strategic options with Japan and ASEAN to present alternative regional initiatives. Given the pace of China's MSR diplomacy, India should project its own ideas to influence the final references to China's initiative. According to this view, Delhi should interpret all Chinese actions as a clinical assessment of Asia's rapidly evolving geopolitics and its consequences for Indian security. But Delhi appears a long way from developing a proper strategy ' (Raja mohan, The Indian Express, 4 July 2014).

Another scholar argues that if India could 'come up with a counter of its own which would inherently be less of a threat but which would also give us an excuse to expand our naval reach in these areas, we would have given the Chinese opportunity Would have used '. The entire proposal should be viewed in the context of Indian national interests and implications for India's role in IOR and South Asia. MSR's volatile, inherent strategic objectives raise questions about Chinese intentions.

China attempts to expand its influence in the Bay of Bengal and the Arabian Sea by building ports in Sri Lanka, Pakistan and Bangladesh, in addition to other Indian Ocean states, through a strategy commonly referred to as the 'Ring String of Pearls'. Has been doing. Pakistan, Bangladesh and Sri Lanka have supported Xi Jinping's MSR initiative. If MSR leads to important neighbors like Bangladesh and Sri Lanka, it flows into the Chinese orbit, a serious setback to the traditional conception of India's subcontinent as a privileged region. Because almost every Indian neighbor in the IOR already has strong economic ties with mainland China, the assumption is that these smaller states are finding it difficult to internally oppose Chinese norms for Asian security. Since 2006, China-South Asia trade has grown by 280 percent to US \$ 100 billion.

Another perception is that South Asian states have already discovered the option and ability to play the 'China card', that is, exploit Sino-Indian mistrust to advance their national and developmental objectives. For India's neighbors, the MSR is perhaps another potential opportunity to play the 'China card' in their strategic bargaining with India. A former diplomat, however, argues: [I]t would be premature to view the concept of MSR in purely strategic terms. The sovereign decisions of littoral states on scope and extent of Chinese investments should not be underestimated. No one would like to get sucked into military conflict or armed confrontations arising from port developments undertaken by the Chinese as part of the exercise.

Nevertheless, one reason for the Modi government's regional outreach is to reduce such possibility by re-establishing Indian credibility with its neighbors. Interestingly, while the Xinhua MSR map excludes Gwadar, Indian analysts have offered competing interpretations. One view is that China is defending against an unstable Gwadar corridor, which starts from Xinjiang and passes through Pakistan-occupied Kashmir. Given the possibility of deep instability in the Af-Pak region and Balochistan province following the break-up of Western forces, China is changing its preference for other sea routes in the IOR.

Another view is that China will pursue both continental and maritime lines of communication. If the MSR loses traction or is delayed, the land corridor to Gwadar could become an important commercial hub for both China and Pakistan. Gwadar's proximity to the Persian Gulf and its ability to support both naval and commercial activity in the Arabian Sea make it attractive to dismiss this Silk Road. Indeed, China-Pakistan diplomatic activity suggests that the Kashgar-Gwadar corridor is still in play. After a

recent visit to China, a Pakistani minister said that Gwadar is the gateway to the economic corridor and will be developed into a modern port city ' (The Express Tribune, 9 July 2014).

Therefore, despite China's MSR map bypassing Pakistan, planned Chinese investment in Pakistan is a sign of a sustained strategy. The omission in the map has probably been deliberate to prevent adverse reactions from India's strategic community and make MSR less controversial in Indian debates. Since MSR will probably be a long-term process, India will need to consolidate its investments in its adjacent regions in exactly the same way as China is investing (ports, logistics, ships Construction) to dissuade India's neighbors such as Bangladesh, Myanmar and Sri Lanka from becoming Chinese 'political outpost'.

Conclusion

Nicholas Spykman once observed that "Every Foreign Office, whatever map it uses, operates mentally with a different map of the world" (Grygiel, 2008, p. 25). For the modern Indian state, it was believed from the beginning that India was located at the crossroads of several territories. India's urge to keep distance from China's massive infrastructure venture called One Belt One Road (OBOR) initiative is quite complicated. China has indicated that it wants India to participate in the venture, but Delhi is essentially balanced on two grounds: one is the China Pakistan Economic Corridor (CPEC), a major OBOR project between Xinjiang and Gwadar in Balochistan moves through territories India claims, namely Pakistan-occupied Kashmir (PoK) and Gilgit-Baltistan. Delhi has also indicated that it sees OBOR as China's unilateral, national initiative that other countries are not obligated to buy into (Sushil, Hindustan Times, March 31,2017).

PM Narendra Modi ji clarified India's objections to OBOR, for the success and approval of connectivity initiatives and proposals, sovereignty and territorial integrity should be respected (Indian Express, June 10, 2017). The entire proposal should be viewed in the context of Indian national interests and implications for India's role in IOR and South Asia. MSR's volatile, inherent strategic objectives raise questions about Chinese intentions.

China attempts to expand its influence in the Bay of Bengal and the Arabian Sea by building ports in Sri Lanka, Pakistan and Bangladesh, in addition to other Indian Ocean states, through a strategy commonly referred to as the 'String of Pearls'. Nevertheless, one of the reasons for the Modi government's regional outreach is to reduce such possibility by re-establishing Indian credibility with its neighbors. Planned Chinese investment in Pakistan is an indication of a sustained strategy. However, there is also a contradiction in terms of Indian position to China, such as India's stance on China's Belt and Road Initiative (B&R) and Shanghai Cooperation Organizations (SCO) (Suhasini, The Hindu, June 9 , 2017).

According to some Indian analysts, the MSR initiative is part of China's effort to break its maritime isolation, hampered by the US-led coalition's dominance of the first and second island chains. For many, this is the background of China's pitch for MSR for ASEAN, and now for countries in South Asia. In addition, by investing in China's flow routes to the west-eastern commodity trade, China aims to improve its resource security (Kondapalli , India Writes, 19 Feb 2014).

While Indian policy analysts are influenced and impressed by the financial (10 billion yuan) and geographic scale of China's approach (Krishnan, The Hindu2014) many view MSR as a feeling of disapproval (unease) as well. There is a sense of losing spirit in another important 'match'. For decades, India has realized that the Indian Ocean is our 'domain', and has worked tirelessly to keep extra-regional powers out of the region. Positive perception comes from neoliberalism of interdependence which sees MSR as an opportunity. But there is even a belief that India's capacity to partially match Chinese investments in MSR, as well as in South Asia in particular, could negate potential benefits.

Given the geopolitical stakes and India's reservations about how China's BRI connectivity projects are currently being pursued and the strategic benefits they may confer, there is likely little scope for the two countries to collaborate on the BRI. India considers efforts to increase interconnectedness as a new theater for geopolitical competition with China in South Asia and the Indian Ocean. At the same time, connectivity also presents India with an opportunity to reestablish its regional prominence.