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## China's interventions in the Indian subcontinent: Challenges for Modi's foreign policy

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### Abstract

The Indian subcontinent is a vast area located in the southern region of Asia. Being situated at the centre of the sub-continent, India has become the naturally dominating regional actor. It is able to project power through its economic and diplomatic superiority over neighbouring countries. During the subcontinent's de-colonisation process India, Pakistan, Sri Lanka, Bhutan, and Nepal all became independent and free to form their own domestic and international policies. Subsequently, China started asserting its regional influence in economic, diplomatic and political matters: examples include the development of Gwadar port and the China-Pakistan Economic Corridor (CPEC); the strengthening of political and economic relations with Nepal and Bhutan; investment in the Hambantota port of Sri Lanka and the China-Maldives Friendship Bridge. All these Chinese initiatives have challenged India's historical relationship with its neighbouring countries. They were further augmented in its new Asian connectivity project through the Silk Road "Belt and Road" vision.

Its materialistic supremacy, propagation of authoritarianism, rejection of democratic values and human rights, and absence of due process of law all provided China with unique opportunities to swiftly surpass several both Western and Asian countries and become a major world power. China's quick transformation on the basis of a domestic authoritarian structure impelled it to achieve large strategic and economic goals in the Indian subcontinent by neglecting the fostering of democratisation within the region. The result of following authoritarian policies at the domestic level was that China did not shy a-

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way from either aligning with autocratic leaders who sabotaged the democratic values and degraded politically inclusive institutions or changing different countries' domestic policies through a strictly material supremacy.

On such a backdrop, India's previous government has not achieved any substantial success in containing the 'hydra-headed' material supremacy and authoritarian nature of China's South Asian Policy. India's policy for the Indian subcontinent has, however, gained new momentum with the arrival of Prime Minister Narendra Modi in 2014. PM Modi launched a new 'Neighbourhood First' Policy (NFP), stressing infrastructure development, people-to-people connectivity, and a "lift all boats" approach so as to help India's neighbours. Under PM Modi, India's power projection is based on both material advantage (military strength, economic growth) and soft-power geo-strategic advancements through democratic norms and institutions. This paper focuses on the 'path-breaking' initiatives taken by PM Modi so as to reclaim India's position of a regional leader whose action is based on democratic values, shared interests, common cultures and the sharing of both economic and strategic interests.

### **Theoretical analysis of India-China relations**

In the Indian subcontinent, India is quite naturally considered the regional power because of its vast geographical area and resources. However, China has been continuously gaining ground because of its superior military and economic resources. Developments in the fields of economics, security and politics all indicate that India is structurally disadvantaged position in comparison to China (Wagner, 2017, p.1). Since the rise of globalisation, privatisation, and liberalisation, India and China are both rapidly emerging as powerful states in the world stage. As a result, the Indian Ocean and its several channels of communication have become important for both countries in terms of strategic interests and as regards the creation of power bases in littoral states. India and China have faced a series of border conflicts and a full-fledged war in 1962. In addition, they so far were not able to resolve the issue of the un-demarcated border called the 'Line of Actual Control' (LAC). In addition, the history of India-China relations also lacked 'trust' and reliability. It has, instead, dwelled in the Machiavellian tradition of 'deceitfulness' of politics because of China's outright support of terrorist networks in Pakistan, illegal occupation of Aksai Chin and frivolous claim on Arunachal Pradesh. As a result, the relations between the

two states remained hostile during the Cold War and became even more unstable when India tested nuclear weapons in 1998 (Athwal, 2008, p.1). In the diplomatic sector, China has always prevented India from acquiring a permanent membership of United Nations Security Council (UNSC). China has even vetoed those UNSC resolutions meant to target Pakistani terrorists involved in terrorist activities on Indian territory. Recently, China has also asserted its claim over Daulat Beg Oldi and Depsang Pass of Jammu and Kashmir state of India. In other words, for many geopolitical strategists, deep-rooted suspicion and mistrust became the cornerstone of the India-China relationship.

This relationship can also be said to fit into the category of ‘security dilemmas’ (Jervis, 1978). According to John Garver, ‘the concept of a security dilemma casts considerable light on a central dynamic of the complex relationship between India and China because of the constant pulling and tugging between those countries over China’s security ties with countries in the South Asia-Indian Ocean Region (SA-IOR). The existence of a security dilemma focused on Chinese ties to the South Asian and Indian Ocean states other than India throws light on the deep-rooted suspicion between those two Asian powers’ (2002, p.1). The relationship between India and China also found visibility in the neorealist theories of international relations propounded by Kenneth Waltz (1979) and John Mearsheimer (2001) – who considered the global sphere as a part of crude power politics. We consider it essential to apply the neorealist model to the regional subsystem of the Indian subcontinent.

Sardar Vallabhbhai Patel (as Home Minister of India) had long ago realised the imminent threat from China; at the time, he transmitted his concern to Prime Minister Jawaharlal Nehru. For instance, in a letter to Nehru, Patel laid out what could be considered a realist view of China. Suspicious of Chinese intentions, Patel argued that ‘China’s leaders were hoodwinking their Indian counterparts’. Furthermore, he insisted that China did not see India as a friend despite India’s recognition of the Chinese communist regime and despite Indian efforts to facilitate Beijing’s seating at the United Nations. The subsequent occupation of Tibet by China supplanted Patel’s views. As a result, Patel proposed a solution for India to be enlightened, firm, strong and formulating a clear policy” (Madan, 2014, p.310). Patel’s views regarding China have remained true to this day as the Chinese continuously claimed sovereignty over Indian land and recently

stationed their People's Liberation Army (PLA) at both Depsang Pass and Doklam so as to assert their illegitimate control over the territories.

The outcome of the China-India rivalry was visible in the policy postures of the small neighbouring states, which generally tried to utilise said rivalry as a negotiating tool forwarding their own national interests. According to Manish Dabhade and Harsh V. Pant, 'if we take South Asia as a regional subsystem, then the two major powers whose behaviour substantially impacts the foreign policies of smaller states in the area are China and India. Both countries' strategies reflect their respective desires to expand their relative influence over Nepal at each other's expense. Both powers display a lack of satisfaction with the current status quo and have pursued strategies that are aimed at maximizing their share of regional power' (Dabhade & Pant, 2004, p.167). As a result, conflict and competition between both countries seem to be inevitable (Malik 2001, p.90; Guihong Zhang 2005, p.61).

In order to counter China's influence in the Indian Ocean Region (IOR), India is likely to assert itself in its own backyard. Both countries have spent billions of dollars for modernising their defence capabilities. This scenario clearly shows the 'hardcore' central concept of neo-realism that is anarchy (Waltz, 1979; Mearsheimer, 1995). States are "rational" utility maximisers (Keohane, 1986). In this scenario, seeking power becomes the central interest of states who use material capabilities to determine the outcome of world politics. Further, the future is 'uncertain' as states are always looking for 'relative gains' against 'absolute gains' (Waltz, 1986, p.102). Hence, 'cooperation' is less likely to be achieved by the units involved in international relations because the basic nature of international relations is 'conflictual' (Gilpin 1996, p.7). In a nutshell, the 'uncertainty' of relations and the need for relative power capabilities will ultimately make China-India cooperation unfeasible.

Realist theory does not ignore the 'cooperation' between states in the name of 'strategic alliances'; however, it contends that 'self-help systems' reduce the chance of cooperation (Waltz, 1986, p.336). According to Joseph M Grieco, 'realism presents a fundamentally pessimistic analysis of the prospects for international cooperation' (1990, p.27), because the international arena is anarchic, a fact which dictates tenuous and ultimately irrelevant cooperative capacities.

For instance, in 2005 India and China signed an accord so as to resolve border disputes. High-level diplomatic exchanges have also become frequent. The realist theory's central problem is said to be that it does not accept the novel facts such as the economic and diplomatic changes in India-China relations. Globalisation has forced countries to interact with each other in economic matters despite past histories of bilateral political turmoil. The idea of mutual economic benefits and the range of different relative advantages of one country over the other have made them interdependent in the fast-changing globalised world. Moreover, India and China have a shared vulnerability in terms of their dependency on energy supplies; they therefore shared an interest in the shipping safety within the IOR. These are structural demands towards synchronising their energy policies. In addition, China is required to seek help from India so as to fight against terrorism and piracy within the IOR; India, in turn, wishes help from China so as to safely transport gas from Far East Russia and secure trade relations in South East Asia (Athwal, p.6). This emerging scenario is largely ignored by realists because they have a tendency to become imprisoned within their own theoretical bubble which obscures the reality observed (Ashley, 1986).

Given the countries' history of conflict, their relations have been examined in realists' terms. However, it can be said that there is a need to achieve theoretical pluralism when understanding this relationship. Alexandra Wendt, thus, argued in her *Social Theory of International Politics* that, 'constructivism cuts across the traditional cleavages in international relations between Realist, Liberal, and Marxist' (1999, p.33). According to Emanuel Adler and Michael N. Barnett, 'theories of international politics can and should occupy a pragmatic middle ground between the views that identities and international practices which cannot change and the view that everything is possible. They should be able to blend power, interests, and pessimism with norms, a dynamic view of international politics, and moderate optimism about the possibility of structural change that enhances human interests across borders' (1998, p.15).

The hardcore central concept of neorealism is too rigid to provide an accurate understanding of empirical facts. According to Richard K. Ashley, 'neorealism reduces political practice to an economic logic, and it castrates the critical faculties of the latter by swallowing methodological rules that render science a purely technical enterprise' (1986, p.258). The critical theorist Robert

Cox notes that, 'the error consists in taking a form of thought derived from a particular phase of history or a particular structure of social relations, assuming it to be universally valid. This is an error of neorealism' (1986, p.214). This is particularly important in the context of India-China relations where the neorealists perceive the relations from the strictly historical prism of conflict. Even though, since 2003, India and China held 16 rounds of talks so as to resolve their border disputes. On the contrary, it also must be taken into account that in terms of the Kashmir issue, China has always supported Pakistan because of four reasons: first, Aksai Chin which is historically part of India; second, after the 1962 war, trans-Himalaya Shaksgam Valley was to be given to China after the resolution of Kashmir issue; third, there is a continuous Chinese support to Pakistan; the two countries consider themselves not only "friends" but "brothers" and China has constantly supported Pakistan's military and its nuclear aspirations; Fourth, the recent Chinese project of CPEC connects northern territories of Gilgit-Baltistan by linking Xinjiang and the Indus Valley and the Gwadar port (Racine, 2015, p.145).

### **China's policy in the Indian subcontinent**

In the aftermath of the Kargil War, Pakistan realised the Karachi port's vulnerability – which was exposed by the Indian naval blockade. As a result, in 1999 China helped Pakistan to develop a deepwater port at Gwadar in the Baluchistan Province. Recently, CPEC which is worth 46 billion dollars was announced by China; it intends to connect the Xinjiang province to the Gwadar port. It is a part of the One Belt and One Road (OBOR) or the new Silk Road project, which is composed of roads, railways, pipelines, and hydropower plants (Shah, 23 February 2017). One of the symbols of China-Pakistan bilateral relations is that the Chinese had opened its largest overseas mission in Islamabad in 2015. The corridor which came into operation last November passes through Gilgit-Baltistan which is an Indian territory occupied by Pakistan. This is a consolidation of China's "String of Pearls" policy which is developing bases intended to encircle India from all directions: Gwadar (Pakistan), Marao Base and Beijing Embassy (Maldives), Hambantota (Sri Lanka), Sittwe (Myanmar), Chittagong (Bangladesh), as well as transport infrastructure agreements with both the Seychelles and Mauritius. China's assertion of its right to multidimensional relations with India's Subcontinental neighbours is tempered by a pragmatic realisation that if it asserts those rights too vigorously, relations with India will suffer (Garver, 1992, p.73).

The course of the China-India relationship in 2018 was seen through the prism of conflict as several news reports emerged: the diversification and pollution of the water of Yarlung Tsangpo/Brahmaputra river in Arunachal Pradesh and the regular 'wars' which are being fought in newsrooms in both India and China. In terms of the border dispute, the relationship between India and China recently became more hostile due to the crisis in Doklam where China had stationed its 1,800 troops, located at the tri-junction between Bhutan, India and China. The conflict increased the fear over China's aggressive unilateralism, as the country inevitably widens its strategic benefits and stimulus in the Indian subcontinent. Lately, a Chinese defence spokesperson stated that 'India should control its border troops so as to avoid a repeat of Doklam' (Pandalai, 1 January 2018). This warning clearly shows the possibility of future military aggression by China that further increased the hostility between both the countries and damaged the prospects of 'confidence building' measures.

Despite the major focus of China on the Pacific Ocean, the country has continuously increased its focus on the Indian Ocean due to three reasons: first, the oil and gas of West Asia transmits through this ocean; second, European markets' sea lanes of communication cross it; third, China's increasing intervention in Africa enhanced the value of the Indian Ocean. Furthermore, China aims to establish transport and trade corridors with direct sea access in both Myanmar and Pakistan; these would save significantly on transport costs in the development of China's South Western and Far Western regions, which is a national priority (Racine, 2015, p.147).

In 2013, China launched an ambitious project called One Belt and One Road. It contains two parts: the Maritime Silk Road Initiative (MSRI) and the Silk Road Economic Belt (SREB). China is facing major political and economic constraints in realising this project in the Indian subcontinent because countries such as India showed reluctance to join it because it openly threatens India's regional supremacy. Apart from the restrictions China has faced in implementing the OBOR project, Jean-Marc F. Blanchard has explained the other hurdles which the project has been facing since it was launched, for instance, the lack of coordination among government ministries and subnational actors (provinces), the troubled economic and political situation in some of its partner countries (Pakistan), the immense amount of money needed, and the risk that a successful MSRI may breed a backlash among partners and host countries. In

addition, another issue is that non-state actors in China, MSRI participants, and MSRI non-participants are an important part of the story of the MSRI in South Asia. As a result, the MSRI has little chance of reaching its potential unless India enthusiastically participates in it. Power, military, economy, prestige, and identity considerations and China's close relations with Pakistan, coupled with the way China has gone about promoting the MSRI, have made India quite cautious about the project (Blanchard, 2018, p.5).

China has also curtailed Indian support to the pro-democracy movement led by Aung San Suu Kyi in Myanmar against the military junta because of China's mounting closeness with the said military Junta. Burma was also giving shelter to anti-Indian insurgent groups aiming to separate from Northeast India (Ghosh, 2015, p.102). China's material superiority also helped it to influence Burma because Chinese supported the Irrawaddy Corridor project at Kyaukpyu. An integrated transportation system has been linked to China's Yunana province with Kyaukpyu port on the northern end of Ramree Island. At Kyaukpyu, a new modern port has been constructed with the help of China so as to transport the goods that extended to link the road–river line to Yunnan (Lintner, December 1 2017).

China signed a Defence Cooperation Agreement with Bangladesh in 2002, which resulted in heavy Chinese investment in both power and infrastructure projects in the Chittagong harbour. China subsequently advanced road links, aiming to connect Bangladesh with the Chinese southern provinces via Myanmar. President Xi and Prime Minister of Bangladesh Sheikh Hasina had reached a consensus aiming to upgrade their bilateral relations towards a 'Strategic Partnership of Cooperation' (Baker, March 7, 2017). Nepal has found a special place in China's South Asia Policy, as it is considered a 'buffer state' between India and China and is also situated at the border with Tibet. According to Bhattarai, 'China has used its economic leverage and benefitted from the problems in Nepal's relationship with India. Nepal supported an observer status for China in the SAARC; the Maoist leader Prachanda chose China for his first foreign visit after he became Prime Minister in 2008. As the relations with India turns cordial under the Modi leadership, Nepal has slowed down the implementation of some of the key agreements such as Transit and Transport Agreement finalised in 2016'' (June 22, 2018).

The island nation of the Maldives is strategically located at important sea lines communications within the Indian Ocean. On 8 December 2017, the Maldives and China signed a Free Trade Agreement (FTA) which submitted a stunning blow to India's Neighbourhood First Policy (NFP). Since the removal of the democratically elected pro-Indian President Mohammed Nasheed, the Maldives is being controlled by President Abdulla Yameen who is continuously tilting toward China so as to gain support for his authoritarian policies. President Yameen has strategically erased all kinds of legitimate oppositions to his presidency by using extra-judicial means. The security forces have been given the highhandedness to muzzle the democratic dissent against the autocratic policies of President Yameen. Furthermore, President Yameen also signed a Memorandum of Understanding (MOU) that brought his country into the Maritime Silk Road Project, a component of OBOR (Ramachandran, 25 January 2018). Lately, the Maldives are engulfed by political crisis due to the standoff between President Yameen and the Maldives Supreme Court (MSC), which ruled that opponents of the President, including former president Nasheed had been unfairly convicted. President Yameen refused the SC order to release the political dissenters and declared a state of emergency in the Maldives (Hincks, 6 February 2018). In order to contain the dissident, President Yameen has sought help from China and avoiding the call from India to democratically resolve the crisis which clearly shows that the Maldives under President Yameen are reversing toward authoritarianism.

China signed an agreement with Sri Lanka in 2007 to build a deep-water port in the fishing village of Hambantota. The following year, China provided \$1 billion assistance to Sri Lanka. In 2009, the Mirigama area, which is 34 miles away from the Colombo port, was turned over to China as an Exclusive Investment Zone. China has even become the primary arms provider to the Sri Lankan military. During the civil war in the country, China blocked the UNSC resolution to establish a truce between the LTTE and government forces (Global Security.org). In September 2014, two Chinese submarines docked in Colombo just as China encroached in the Depsang Pass located in North Ladakh (Stobdan, 25 September 2014). Recently, the central concern has become the Hambantota port because Sri Lanka has to repay China the massive loan of \$8 billion (at an interest rate of more than 6%), used for modernising this port. However, Sri Lankan economists stated that their country will find it difficult to repay the loan. The result was that, on 29 July 2017, both governments signed the Hambantota Port Concession

Agreement and quite immediately China announced that the Hambantota port is to become a part of its BRI (Pattanaik, 4 August 2017). The grabbing of the Hambantota port by China – achieved because of its rising material superiority – is a clear warning to Indian authorities that the littoral states of IOR are slipping away from Indian influence. The rise of anti-democratic forces in the region is also revealing, because China itself does not thrust its bilateral relations on the foundation of democratic values. The political system in the Indian subcontinent under the influence of China will likely become more unstable.

### **India's policy for the Indian subcontinent under PM Modi**

India has enjoyed substantial regional influence across the Indian subcontinent due to its size and comparative economic might. India has been a top most trading partner for all remaining countries in the subcontinent for decades. New Delhi has always followed an 'open border' sharing policy with Nepal so that goods, human resources, capital and cultural exchanges can be continued uninterruptedly. India has also signed an FTA with Sri Lanka. India and Bhutan share 'mutually beneficial economic inter-linkages'; and of course New Delhi has been a major economic partner for Bangladesh since its independence in 1971 (Anderson & Ayres, August 3, 2015). Although India enjoys both economic and military superiority which allowed it to become a regional leader, since the rise of China as a global power and its subsequent interventions in the sub-continent so as to gain strategic and material benefits, India's stature of regional leader has been challenged. Ever since independence, attempts were made starting with both Nehru and Indira Gandhi to portray the region as an extended frontier for India's regional influence so as to protect national security and strategic interests through military, economic, and political interventions (Kapoor, 2006, p.40).

There are several factors challenging India's role as regional leader. First, there are cultural traits characterising neighbouring countries such as dominating religion, ethnicity or language which are all associated with unique and specific national identities. India's proactive role in the subcontinent is often considered a threat to other countries' national identities. Examples include the Buddhist nationalist group in Sri Lanka; the debate on Bengal and Bangladeshi identity in Bangladesh; and the dominance of the Maoist Party in Nepal's politics. Second, India's foreign policy in the subcontinent has neither remained consistent nor has it been successful in applying

political, economic and military capabilities to achieve sustainable results. Finally, India's neighbouring countries have deliberately tried to internationalise their bilateral disputes so as to pressure the country in the international platform. This was not done only by Pakistan; Nepal, Sri Lanka and Bangladesh all used the 'China card' against India so as to limit its sphere of influence (Wagner, 2017, p.2). Idealism, however, remained the cornerstone of India's foreign policy under the previous political leaders and decision-makers who failed to understand the international politics through the prism of power relations and geostrategic interests. This provided scope to the small states in the region to follow realist foreign policies so as to achieve their national interests at the expense of the region's stability and prosperity. The Chinese intervention in the region is also an outcome of the strategic and material needs of these small states. All these factors ultimately harmed the regional status of India.

India's policy towards Pakistan keeps fluctuating between aggression and moderation. At the end of 2015, a well propagated 'détente' was reached between the two countries when PM Modi made an unprecedented visit to Lahore which led to a series of high-level meetings between the two countries. During the Paris Climate Conference in November 2015, the prime ministers of India and Pakistan held a short meeting which further resulted in a meeting between India's and Pakistan's National Security Advisors in Bangkok (Ye, 2016, p.39). In spite of these high-level meetings between both countries, Pakistan has continuously broken the ceasefire agreements at the border which not only further reduced the chances of any improvement in bilateral relations but also provided major opportunities for China to increase its presence and dominance in the region. Cross border conflicts, poor connectivity, and security concerns all contributed in making the Indian subcontinent, the least integrated region in the world (Krishnana, 25, November, 2014). Regarding China, India follows a two-pronged strategy under which it not only tries to aggrandise its military capabilities but also enhanced trade, economic, solidarity and negotiations on international issues such as global warming and climate change. India makes the USA its quasi-ally so as to establish a 'balance of power' game with China. Simultaneously, it also keeps the USA at arms' length both diplomatically and militarily as a part of its new non-alignment strategy (Bajpai, Basit & Krishnappa, 2014, p.26).

The shift in India's neighbourhood foreign policy occurred when PM Modi came to power. The first initiative was the 'Neighbourhood First' Policy (NFP); PM Modi visited both Bhutan and Nepal, and signed a 'land-swap deal' with Bangladesh which resolved a 70-year-old humanitarian issue. The NFP approach encompasses more than the Indian subcontinent and charts a proactive foreign policy in the extended neighbourhood. India not only promptly acts on the events which unfold in Asia and in the rest of the world but also shapes them diligently. PM Modi has developed personal relationships via high-level visits with neighbouring countries: out of 37 trips, 24 were made to Asian countries. These visits have been followed by proposals for cooperation in both economic and strategic domains (Pal, 13 January 2016).

Apart from the NFP, Modi has launched several other policies such as the Act East Policy (AEP), the Sea ports at Paira in Bangladesh, the Trincomalee in Sri Lanka, the Chabahar Port (so as to realise the implementation of a North-South Transport Corridor Project to counter the OBOR project of China), the Connect Central Asia Policy, and the Sagarmala project. In addition, India and Japan also collaborated in the Asia-Africa Corridor (AAF). Continuous investment is being made in Nepal and other countries of the subcontinent, stretching all the way to Thailand where India is building highways and roads so as to counter OBOR. India is also aligning its AEP with Japan's "Free and Open Indo-Pacific" initiative. These developments showed the stark reality that India-China relations are confined to a struggle for 'regional power'. Both countries claim a 'regional power status' so as to project their dominant positions in the subcontinent. India's space diplomacy got a major boost with the launch of the South Asia Satellite on 5 May 2017 by PM Modi as 'India's gift' to the South Asian Association for Regional Cooperation (SAARC). The satellite is intended to cover communication, broadcasting, internet, disaster management, telemedicine and weather forecasting in the region. Excepting Pakistan, all countries in the region have welcomed India's initiative, which is entirely funded by India and intends to benefit all SAARC member countries. Pakistan opposed India's move and opted out of this partnership. Most importantly, the satellite may achieve the objective of maintaining strategic ties with neighbours by catering to their economic requirements (Kotoky, 26 June 2017).

Ideologically speaking, India and China apply different methods and means so as to shape their respective neighbourhoods; India follows an intrinsically democratic policy both at the domestic and regional levels under the garb of liberal internationalism; China, in contrast, follows an authoritarian policy not only at the domestic but also at the international level. This authoritarian tendency is visible in its illegitimate claims over the islands in the South China Sea as well as several integral parts of India in both Arunachal Pradesh, Jammu and Kashmir. It is clear that China believes in bilateral relations based on material hegemony rather than multilateral principles of liberal internationalism and that it applies this belief in East Asia, South East Asia and the Indian subcontinent. India has used different bilateral and multilateral strategies so as to pursue its regional leadership role in the Indian subcontinent (Wagner, 2016, p.307).

Several measures have been applied by New Delhi to either directly or indirectly counter or slowdown the establishment of the MSRI. For example, India is building better bilateral relations with MSRI countries, such as the Maldives and Sri Lanka, by becoming actively involved in their domestic politics. It also launched the Project Mausam to counter the MSRI. It is building a stronger strategic, military and economic partnership with Japan so as to counter China, and is investing huge amounts of money so as to establish its own naval power. In addition, Indian political parties have also expressed their strong concern about the MSRI project and its impact on India as a regional leader. Both strategic and security experts from India have voiced their deep concern regarding the end result of the MSRI, which they termed as a weapon to counter India's influence not only in the region but also at the world level. So far the "String of Pearls" policy seems to be realised under the MSRI so as to establish China's dominance in Indian Ocean. It supports an immense amount of trade at the expense of other prominent actors such as Japan, the USA, Russia and India (Blanchard, 2018, pp.6-9).

Recently, India has acquired the strategic port of Duqm in South Eastern coast of Oman, which is not only close to the Chabahar port in Iran but also to the Gwadar port in Pakistan (which has become the centre of CPEC activities). Oman will allow India's military vessels to use the Duqm port and dry dock (Panda, 14 February 2018). In the Indian Ocean, India has launched its first indigenous aircraft carrier in August 2013, the INS Vikrant, which will be commissioned in 2020.

The INS Arihant nuclear-powered ballistic missile submarine has been commissioned in August 2016. Recently, India has also become the first arms importer in the world (Racine, 2015, p.147). After winning the presidential elections in January 2015, Sri Lanka's Maithripala Sirisena made his maiden foreign visit to India in February of that year. Subsequently, in March 2015, PM Modi visited Sri Lanka after more than 28 years of the last visit by an Indian PM to the island nation. The new government established good relations with India and reduced Chinese engagement. Several agreements were signed by India; India's National Thermal Power Corporation (NTPC) intends to build thermal power plant in Sampoor. The Economic and Technology Co-operation Agreement (ETCA) is proposed for FTA in the service sector which is opposed by the pro-China opposition led by Mahinda Rajapaksa in the Sri Lankan parliament (Ramakrishnan, 21 February 2016). India needs to invest in the Mattala airport in Hambantota so as to counter China, which might use the port for monitoring maritime traffic and snooping on the Indian Ocean (Kaura, 26 December 2017). However, due to the inability of Sri Lanka to limit China's influence on its economic and maritime policy, it seems to be keen on finalising the ETCA agreement (Firstpost, 23 December 2016). Recently, political crisis has further deepened in the island nation as President Sirisena suspended the parliament so as to give passage to power to former President Mahinda Rajapaksa. However, a no-confidence motion was passed to prevent Rajapaksa to become President of Sri Lanka. In spite of strong reactions from both the USA and the EU regarding the recent political crisis in the country, India followed a cautious policy so as to examine the event. It is important to understand that Rajapaksa has remained pro-China because India supported the United Nations Human Rights Council's resolution which found Rajapaksa guilty of complicity in the killing of Tamil civilians during the civil war.

On 21 June 2015, the First International Day of Yoga was celebrated at the Sri Lankan iconic oceanside promenade Galle Face Green. The 5th International Buddhist Conclave was held in New Delhi, the speaker on behalf of the Sri Lankan Parliament, Karu Jayasuriya, visited on 2 October 2016. The two governments jointly celebrated the 150th anniversary of Anagarika Dharmapala in 2014 (MEA, November 2017). Even PM Modi's government proactively supported the Sri Lankan people during the recent rains and floods by speedily providing relief materials with the help of the navy (Moorthy, 9 January 2017). After the terror attack on an Indian army base in Jammu and Kashmir by Pakistan-based terrorists, Sri Lanka also followed

India's call to boycott the SAARC meeting in Pakistan along with Bangladesh, Bhutan, Afghanistan and the Maldives.

PM Modi visited Nepal in August 2014 and agreed to provide \$1 billion concessional line of credit to the country. A deal was signed to build a 900 MW hydropower plant; a 250 Million dollars agreement was also signed for post-earthquake reconstruction (Haidar, 4 August 2014). With the promulgation of the new constitution of Nepal in September 2015 had strained its relationship with India. The Terai region of Nepal at the border with India is inhabited by the Tharus and Madhesis. They were against the new constitution as it re-drew the provincial boundaries, which could lead to their political marginalisation; they were also forced to share their provinces with hill districts. It was claimed that the new constitution was dominated by Maoists, high caste and mostly male. The result was that the bereaved blocked the border with India (Jha, September 24, 2015). The Nepali government blamed India for the political stir against the new constitution which disturbed their bilateral relations (Ghimire, 10 July 2017). On 11 March 2018, PM Modi planned to visit Bhutan, Nepal and Bangladesh (amid relentless Chinese incursions in the Himalayan countries) and sign an agreement with Bangladesh so as to implement the BRI project (Chaudhury, 11 March 2018).

The Maldives are being run by pro-China president Yameen, who has outrightly sought for China's support so as to prevent India's intervention in the island nation. Yameen even amended the constitution so as to allow foreign ownership of Maldivian territory. He has courted investment from both China and Saudi Arabia, countries known for their anti-democratic and anti-human rights records (Price, 6 February 2018). Since the crisis is looming over the IOR, India should take a leaf out of the "Operation Cactus" in 1988 in which it restored the President Abdul Gayoom to office. As the latest crisis started, India has made two statements: first, the Maldivian government and all its agencies should abide by MSC judgment; second, said government was disturbed by Yameen's imposition of emergency (Sajjanhar, 8 February 2018).

The Modi government has also transformed the 'Look East Policy' into the 'Act East Policy' (AEP) so as to ameliorate political, economic and cultural difficulties faced by the Indian establishment and the targeted South East Asia region. One of the bulwarks of the AEP is the

Kaladan Multimodal Transit Transport Project (Kaladan Project), started between India and Myanmar so as to develop trade and energy relationships between the two countries. It aimed to connect the eastern Indian seaport of Kolkata with the Sittwe seaport in the Rakhine state of Myanmar by sea (Rehman, 2009, p.135). India, under the leadership of PM Modi, has already quickened the pace of its implementation because of the recent Chinese decision to build an energy pipeline from the southwestern province of Yunnan to the Sittwe port. The project is one of the important milestones in strengthening the relationship of Burma and India against the increasing Chinese assertion in the region (Gupta, 18 September, 2018).

## **Conclusion**

Despite the several ups and downs, India and China renewed the annual Defence Dialogue – re-established in 2011 after a two-year interval – and the Strategic Dialogue which re-started after a three-year interval. In addition, both sides’ top-level dignitaries are regularly meeting at both bilateral and multilateral platforms. One of the most significant steps was the first India-China Dialogue held in Central Asia regarding Afghanistan. Furthermore, on 6 February 2016, India and China held the first round of the Dialogue on Maritime Cooperation. Yet, in terms of realist paradigms of national interests, threat perceptions, security dilemma, self-help intuitions, and anarchical nature of world politics, the possibility of conflict remains imminent as both countries are frequently modernising and expanding their weapons as part of the ‘deterrence’ strategy against each other which involves armies, navies and air forces.

It is clear that each country of the Indian subcontinent has tried to balance their relationship with India by engaging with China. PM Modi is projecting the ancient links with neighbouring countries so as to show oneness and composite brotherhood as a part of “Vasudev Kutumbakum”, which finds its roots in the Bhartiya culture. As a result, PM Modi has not only developed foreign relationships on the basis of the contemporary needs of both India and neighbouring countries but also revived the cultural linkages involved. For instance, PM Modi visited the famous Pashupatinath temple in Kathmandu; PM Modi also received an invitation to visit Janaki Mandir and Muktinath temples. In terms of regional cooperation, PM Modi has dedicated the SAARC satellite to all nations of the Indian subcontinent including Pakistan so as to increase the cooperation. Hence, it can be argued that PM Modi’s foreign policy is based on a

two-pronged strategy: first, material capabilities that include economic growth and military strength; second, the revival of ancient links across the Indian subcontinent on the basis of mutual benefits and shared cultures. In other words, PM Modi is expanding India's regional stature not only in terms of 'hard' power but also 'soft' power; a combination of both is aptly called 'smart' power. Even though China has superior material capabilities (at the expense of the devastation of democratic institutions at a domestic level), it is also propagating the one-dimensional totalitarian posture in the Indian subcontinent; the recent example of the Maldivian crisis is a most visible example of it.

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