

India - China strategic competition in the South Asia region: Situation and prospects

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Abstract: *Located in a key geo political and geo strategic place, South Asia is witnessing fierce strategic competition between the two Asian power China and India. India's strategic objective in South Asia is to consolidate its position as a major power in the region, using it as a springboard to expand its influence outward, towards becoming the center of world power. For China, South Asia has a direct impact on its stability, security and development. Therefore, China's strategic goal in South Asia is to expand strategic space, compete for influence, and establish a perimeter to encircle and contain India. The article presents the following issues: 1) The basis of strategic competition between India and China in South Asia; 2) Situation of strategic competition between the two countries; and 3) Some predictive remarks for the strategic competition of the two countries in South Asia in the coming time.*

Keywords: Strategic Competition, India, China, South Asia

1. Introduction

After the Cold War ended in 1991, South Asia has become a region of strategic importance in Asia and the world. In particular, the South Asia region is tightly connected with the strategic interests of two superpowers - India and China. For India, the South Asian region has a strategically significant role in its current resurgence. India's strategic objective in South Asia is to secure the sole great power status in the region, using South Asia as a springboard to consolidate its strength and expand influence beyond, with the overarching goal of becoming a new

global power center. As for China, South Asia is a strategically important area due to its proximity to China's southwestern border regions. In particular, the strong emergence of India has a direct impact on the stability, security, and development of China. Therefore, China's objectives in the South Asian region involve expanding its strategic space, competing for influence, and establishing a surrounding belt to contain India. Under the schemes of both India and China, the South Asian region has become a political arena that witnesses intense strategic competition between these two great powers.

2. The foundation of the India - China “strategic competition”

From the perspective of international relations theories, the most fundamental objective dominating states in strategic competition is the combination of demands for “power” and “security”. In general, “international relations theories from Thucydides onward consider that countries strive for the goal of power competition” (According to: Waltz, 2010: 98). However, many scholars argue that the most fundamental objective of states in strategic competition is security rather than power, where “security” is the ultimate goal of all state in an anarchic system, while “power” is simply a means to achieve security (Read more: Barry et al., 1993). Therefore, the “strategic competition” between India and China is a typical example, which will be examined by combining both elements of “power” and “security”.

As the world enters the third decade of the 21st century, the process of power competition between India and China is becoming increasingly pronounced. With “power” as the primary determining factor in foreign policy, in India - China relations, these two neighboring nations are focusing on major strategies at both the global and regional levels to satisfy their national interests. Currently, India and China are not only neighboring countries but also “strategic competitors” at the continental level.

India and China are both ancient civilizations that developed early and experienced periods of domination and competition by Western imperialist and colonial powers. In terms of material capabilities, these are both large nations with massive populations and rapidly

growing economies. Additionally, the unique geopolitical environment, characterized by overlapping geographical features, has laid the foundation for both cooperation and conflict between the two nations throughout the course of history. Consequently, the geopolitical and geostrategic factors have played a crucial role in the strategic competition between India and China, particularly since these two Asian giants have emerged and aspired to establish new positions within the regional and global order. It can be asserted that, as global power dynamics shift towards the East, the resurgence of India and China represents one of the most significant geopolitical events in the first two decades of the 21st century.

The beginning of the 21st century marked China’s vigorous resurgence based on the strategic concept of “peaceful development” (和平发展), aiming to redefine its international position and compete with the United States to establish a new world order under the vision of a “Harmonious World” (和谐世界). China’s rise in the early 21st century has been most prominent in the economic field. By 2010, China’s economy had surpassed Japan to become the largest in Asia and the second-largest in the world, following the United States. Towards the end of the second decade, China’s rapid growth to become a global economic powerhouse and a regional military power is considered one of the fastest in world history.

In terms of economic growth rate, China has outpaced the United States for four consecutive decades, and to this day, many Western scholars believe that China’s economic might is surpassing that of the United States (See: Carey, 2020). China’s

trade-centric economy has gradually taken over various industries of other economies, including those of the United States. Furthermore, China has also established industrial and scientific foundations to serve its development, including world-class capabilities in space exploration and its own Global Positioning System (GPS). To enhance its power, China has accelerated the modernization of its military forces, focusing on expanding its navy force both in terms of quantity and quality. Simultaneously, China has shifted its naval operations emphasis from near-seas defense to far-seas naval activities to safeguard the open sea areas, increase mobility, and enable joint operations at sea (MacHaffie, 2020).

After the dissolution of the Soviet Union in 1991, the bipolar Yalta order collapsed, leaving the United States as the sole superpower. However, this position was quickly challenged by a new potent rival - China. China's eminent rise has forced the United States to take various measures to contain and compete with it. In practice, China currently seeks to control the regional security order, but with a focus on Asia instead of the United States. This is clearly demonstrated by Beijing's efforts to adjust its defense and security policies based on its advantages in order to define a new regional and global order in line with its ambitions and rising status. In the immediate term, Beijing is establishing a new regional security order in Asia through an intensified "strategic competition", exerting influence over the United States in critical regions such as the South China Sea, Southeast Asia, South Asia, the Middle East, and more. In the long run, China shows its ambition to intensify the

process of "strategic competition" with the United States on a global scale, as it works towards realizing the "Chinese Dream", expected to be realized by 2049 (Yang, 2015).

At the same time, India's resurgence as an economically and politically influential actor capable of exerting a strong influence on regional and global international dynamics has also drawn global attention. India aims to assert its role as a regional and global great power. In its economic development efforts, India focuses on enhancing key industries and implementing comprehensive agricultural reforms through the green revolutions, with an aim to build a robust industrial-agricultural complex. The Indian Government is determined to remove trade barriers, implement necessary reforms to attract investment, and promote its "Make in India" campaign. If the government continues to invest more in infrastructure and provide substantial training for its young population, India could dominate the global economy, potentially surpassing China in the coming years (Vijayaragavan, 2015: 37-39).

India has made significant strides in the field of information technology and has become a global hub for IT services. In addition to these critical sectors, India's strength lies in its highly skilled workforce, particularly in the field of technology which has both internationally and domestically trained professionals. Many global corporations have employed skilled labor trained in India. The rise of the Indian technology sector is a global phenomenon, and its competitive advantage against the United States are continually increasing (Tran Van Tung, 2013: 426). India is also modernizing its military to bolster its defense capacity from the

Indian Ocean to the Pacific Ocean as a major maritime power. With rapid developments in its economy and technology, India has strengthened its influence in regional and international politics, positioning itself as a “benign power” (Sachdeva, 2016: 4). It can be observed that India’s “rise” has garnered international support due to its commitment to peace and sustainable development, as well as its positive contributions to regional peace and cooperation.

Over the past two decades, India has transformed from a “giant” in South Asia to a major regional power in Asia, with the potential to become a counterbalance to China. At the regional level in Asia, India is currently considered a fair competitor to China through its growing presence in the South China Sea, Southeast Asia, the Middle East, and other regions. Regarding India’s future in Asia, Acharya (2017: xvii) believes that “India has played a core role in shaping ideas and norms for the Asian order. India will continue to play that role in the future”. With India’s rise as a regional power, New Delhi holds a higher position in China’s foreign policy agenda, especially in issues in the periphery region.

3. India - China strategic competition in the South Asia region

Since the beginning of the 21st century, India and China, both having established themselves through their respective rises, have become competitive rivals in pursuit of their national interests. Both nations have territorial disputes, border issues, and global ambitions, while also representing significant markets and holding deep concerns for secure and cost-effective trade routes and energy security. India and China also engage in substantial trade cooperation,

with bilateral trade reaching approximately 71.5 billion USD (Rahim, Ali, 2018: 85). Nevertheless, prolonged conflicts, border disputes, and economic/strategic concerns compel these neighboring nations to adopt “strategic competition” rather than increased cooperation.

In terms of their strategic concerns, China engages in “strategic competition” with India primarily for the goal of “power”, specifically to contain India’s rise and maintain China’s position as the top Asian power. Conversely, India’s “strategic competition” with China is predominantly driven by “security” objectives, primarily aimed at thwarting China’s expanding influence and involvement in India’s vital regions, thereby safeguarding India’s national interests. However, with the current trajectory of development, India has the potential to become a global power, and the dynamic of “strategic competition” between India and China may encompass both “power” and “security” elements.

Currently, India and China are going head to head in a grand battle to exert economic and military influence in India’s extended neighborhood, specifically in the South Asian region, including Nepal, Bangladesh, Myanmar, and Sri Lanka. In reality, the geostrategic competition between India and China, particularly in the Indian subcontinent, has long dominated India’s relations with its smaller neighboring countries. In the context of China’s rise, India has grown increasingly apprehensive as it witnesses China’s escalating economic and military influence in its neighboring region. From the early 21st century to the present, Beijing has become the leading trade partner and a major investor in most of India’s neighboring countries. This

competition has grown more complex and strategically intense, especially as all the smaller neighboring countries, with the exception of Bhutan, participate in China's "Belt and Road Initiative" (Yhome, 2019). New Delhi perceives that China is shaping the strategic environment and forming alliances that could be utilized against India (Mehta, 2015: 217).

In the current strategic competition with China, India recognizes the significant role of smaller neighboring countries. Specifically, China's rollout of the "Belt and Road Initiative" in the South Asian region has compelled India to enhance relations with smaller neighboring nations in alignment with Prime Minister Narendra Modi's "Neighbourhood First Policy". At the same time, smaller countries on the Indian subcontinent also seek to maximize their interests through the competition between Beijing and New Delhi. For these smaller neighboring countries of India, engaging and developing relationship with China as a counterbalance to India has become a key feature of their foreign policy. More specifically, these nations aim to leverage China as a counterweight against India, reducing New Delhi's interference in their internal politics and foreign policy, a matter that has traditionally strained bilateral relations between India and these smaller neighboring countries (Yhome, 2019).

India holds a significant advantage in South Asia due to its geographic location and deep economic and cultural ties with smaller neighboring nations, with cultural factors serving as unique bonds. In the contemporary international landscape, India will invest further in enhancing its influence with these neighboring nations.

The strategic approach India currently adopts towards its smaller neighboring countries is driven by both external and internal imperatives. Given the rapidly changing regional political landscape, India's strategic goal is to enhance relations with these smaller neighbors by reinvigorating historical ties and establishing new connections, based on the principles of shared prosperity, peace, and development. India's strategic position and importance in South Asia have increased significantly, especially amid the fierce competition between the United States and China in the new strategic space: "India-Pacific: Free and Open". In this framework, India plays two roles, one as a strategic balancer and one as a driver for stability and development in the region. Through the "Neighbourhood First Policy", India emphasizes its commitment in sharing its prosperity with smaller neighboring countries, thereby facilitating a strong reintegration strategy with these nations in South Asia through trade connections, cultural exchanges, and high-level political engagements (Chaturvedy, 2019: 1-23).

In Prime Minister Narendra Modi's first term (2014-2019), India's relations with smaller neighboring countries improved significantly. India's vision of shared regional prosperity has been demonstrated through various bilateral projects with smaller neighboring nations, including cross-border oil and gas pipelines, electrical transmission lines, road and rail connections, inland waterways, cross-border trade, and bus services between Indian border cities and towns of smaller neighboring nations in the South Asian region. Since his resounding re-election victory in May 2019, Prime Minister

Modi has taken significant steps towards implementing India's comprehensive strategy. In the process, New Delhi has been actively engaging with countries such as Maldives, Sri Lanka, Bhutan, Nepal, and Bangladesh (Ranjan, 2019: 259-274). Furthermore, India is also pursuing a "multi-alignment" policy with major global powers. It aims to convey to smaller neighboring nations that India does not oppose their policies to attract more partners for their maximum benefit, stressing that it is in India's interest as well. Currently, India has attracted external partners such as Japan and the Asian Development Bank (ADB) to engage in infrastructure projects across its borders, thus enhancing connections with its smaller neighboring nations in the South Asian region. In Prime Minister Modi's second term (2019-2024), his government plans to attract more partners, including South Korea, Australia, ASEAN, the EU, and several other nations, in order to provide more alternatives for countries in India's neighborhood, as part of an effort to reintegrate with its neighboring nations (Das, 2016: 18-37).

The strategic importance of the "Neighbourhood First Policy" in India's vision for reshaping the regional geopolitical order remains a crucial factor in India's ability to influence broader developments in this extensive area and create a basis for India to engage in strategic competition with China in another significant regional front - Southeast Asia. Under the leadership of Prime Minister Modi, India's national power and standing have increased significantly, allowing the nation's actions to have international repercussions. Prime Minister Modi affirms India's commitment

to the "Neighbourhood First Policy" and the vision of peace, security, prosperity, and progress for all. In the very beginning of 2020, the Indian Prime Minister sent a message to five neighboring nations, namely Bhutan, Bangladesh, Maldives, Nepal, and Sri Lanka, on bolstering diplomatic efforts with its neighbours. This demonstrated India's strong determination to alter its current position in relation to China in the South Asian region. It is clear that the smaller neighboring countries hold strategic significance for India in asserting its position in the region and the world, especially in the context of strategic competition with China. Promoting positive relationships with neighboring countries in South Asia will assist India in ensuring stability, security, and economic development, expanding its opportunities, strengthening its role, and participating in the reconfiguration of the South Asian and the broader regional dynamics in Asia.

Not limiting itself to the South Asian continent, China has long put efforts in intensifying its presence in the Indian Ocean region, which is also considered India's maritime "backyard". This presence began with the deployment of a permanent naval presence in the Arabian Sea in 2008, and more recently, with the establishment of China's first overseas military base in Djibouti (Cabestan, 2019). Currently, China primarily concentrates its military presence in the Indian Ocean on peacetime military activities, but this is likely to evolve over time, with an aim to have the capacity to control the entire region. The world's attention is drawn to China's naval forces, which are incorporating the Indian Ocean as a normal part of China's military operations in the transition to a

two-ocean strategy (Upadhyaya, 2017: 63-83). The increasing military presence of China in the Indian Ocean will necessitate the expansion of its bases in the region, potentially encompassing naval and air bases in Pakistan and possibly in other locations like East Africa and the Eastern Indian Ocean. Based on this, China is intensifying the development of quasi-military alliances, constructing dual-use port facilities, enabling the Chinese Navy to use these bases and enhancing China's arms transfers to the region (Brewster, 2019).

The escalating presence of China in the Indian Ocean has prompted a strong response from India. India has long aspired to be recognized as a preeminent power, bearing special responsibilities for security in the region, and New Delhi considers itself the "natural leader" of the Indian Ocean. In reality, while China's ambition in the Indian Ocean aims to assert control over the maritime domain, India's interests extend beyond mere security concerns. India seeks recognition as a major regional power and the potential to ascend to a leading global position. Thus, the strategic competition between India and China in the Indian Ocean is just one facet of a multifaceted relationship that combines elements of cooperation, coexistence, and rivalry between these two great powers (Ghosh, 2020: 146-150). China's expanding presence in South Asia and the Indian Ocean is viewed with suspicion and concern by the largest country in the South Asian region. In India, the deepening ties between China and regional nations are often seen not as contributing to China's interests but as an attempt to counterbalance India, aiming to encircle or

maintain India in a state of imbalance (See: Vaughn, 2018).

India finds itself at a disadvantage if taking into account all aspects of the strategic competition between India and China, including nuclear weapons, conventional military balance in the Himalayan range, and economic power. However, India maintains a clear military advantage over China in terms of geographic location in the Indian Ocean region. India's maritime strategy seeks to establish control over strategic chokepoints in the Indian Ocean, potentially threatening to disrupt China's maritime trade routes. This strategy also serves as a means for India to check the expansion of China's influence along the land borders with neighboring countries, especially with smaller nations in South Asia (White, 2020). China is concerned that, in the event of a conflict along their shared land borders, India may escalate the conflict into the Indian Ocean, thereby impacting China's energy transportation routes in this maritime region.

Therefore, in the current landscape of strategic competition, India has undertaken an array of investment projects to establish influence with its neighboring countries. The ambitious Belt and Road Initiative of China has presented new opportunities and challenges, further altering the geopolitical dynamics. While the strategic rivalry between India and China is escalating, the smaller countries in the region are capitalizing on this competition to seek economic, political, and military benefits from both sides by playing them against each other to attract more investments into their infrastructure projects. However, this duality presents a latent danger, much like a double-edged sword. In recent

years, controversies over China's major infrastructure projects have contributed to political changes in countries such as Myanmar and Sri Lanka. The political crisis that erupted in the Maldives in early 2018 was exacerbated by the India-China rivalry. Notably, the China-India relationship has become more intricate and enigmatic in the post-Covid-19 era, with cooperation and confrontation spread across military, economic, and institutional areas (Yoder, 2022). In the evolving global context, the cooperation and rivalry between India and China have witnessed substantial adjustments in their relations. Nevertheless, cooperation has become more prominent compared to confrontation, with much of the collaboration taking place within the framework of the Shanghai Cooperation Organization (SCO). After Covid-19, both India and China are striving to boost their standings, consolidate their positions, and expand their global influence, all while seeking to minimize conflicts and confrontations, particularly in the South Asian region (Pulami, 2022).

4. Conclusion

From a strategic perspective, China seeks to contain India's rise by forming alliances with Pakistan and smaller countries in the South Asian region. Simultaneously, it also aims to counteract the United States' efforts to draw India into an anti-Beijing alliance. India, on the other hand, engages in strategic competition by seeking to limit China's expanding influence in its strategically important regions, particularly in South Asia. Therefore, the nature of "strategic competition" between India and China is evident, particularly in the South Asia and Southeast Asia regions; and

there have been direct conflicts between the two nations. However, as China is increasingly isolated by Western nations, India also needs to deal with the United States through cooperative mechanisms in multilateral organizations and bilateral relations between the two countries. As China intensifies its efforts to contain India's rise and prevent its expanding influence in critical Asian regions, the biggest challenge for China is to engage in "competition and containment" without causing armed conflicts, which could lead China to face two simultaneous battles on both the global and continental levels against the United States and India.

From the Indian perspective, Dibyesh Anand (University of Westminster, UK) suggests: "An important element in China's perspective is the idea of becoming the 'big brother', the sole emerging superpower, while from India's side, it is the idea of being internationally recognized and respected like China" (Cited from: *The Times of India*, 2020). In fact, India itself does not desire to engage in a "strategic competition" with China in a manner reminiscent of the "Thucydides Trap". Notably, India seeks comprehensive engagement with China, based on the belief that there is enough strategic space in Asia to support China's and India's rise, following a "win-win" formula. The simultaneous rise of the two Asian powers, India and China, represents a significant shift for the continent and the world in the future. India needs to navigate wisely and judiciously in the current "strategic competition" to ensure that the two nations continue to grow without becoming "strategic rivals", which could lead to conflicts affecting India's current development.

The 21st century is predicted to be the dawn of the “Asian Century”. This perception is further reinforced by the emergence of two Asian powers, China and India. The context of the “Asian Century” centers on the geopolitical perceptions of India and China, where diverging ideologies and conflicting interests have led to disputes and competition in the strategic South Asian region. In the third decade of the 21st century, competition between India and China is projected to expand into Southeast Asia, the Middle East, and Central Asia. However, due to increasing interdependence in terms of interests, especially as both are members of the Shanghai Cooperation Organization (SCO), the “competition” between China and India in the South Asian region, and more broadly in Asia, will continue but in a state of “peaceful coexistence” □

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