

China and South Asia: Issues and Future Trends

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Abstract

The objective of the article is to discuss the problems and prospects between China and South Asian countries. It also analyzes the geo-strategic and security features of the Southern Asia region and its main implications on the Chinese foreign policy. The interactions between China and South Asia could date back to 3rd century BC. Before 21st century, China's South Asian policy could be regarded as the single-dimensional and limited strategy. Since 21st century, China fundamentally has changed its South Asian Strategic Approach. China has been conducting multi-dimensional cooperation with all of the South Asian countries. Traditionally, China preferred from the bilateral diplomacy to multilateral diplomacy. But in the 21 century, multilateral diplomacy is getting more and more important in Chinese foreign affairs. In recent years, the most of influential international event is Asia's "Rise-up"; the most outstanding parts are China and India. As two emerging Asian power with continuously increasing international interests and influence, how China and India handle their relationship will be critical for both countries, and the regional and global peace of prosperity in coming years.

Key Words: China, India, South Asia, Multilateral Diplomatic Relations, Security

01. Introduction

The interactions between China and South Asia could date back to 3rd century BC, but before the mid of 20th century. The lasting 2000 years interactions and communications between China and South Asia were confined to cultural and religion and rarely commence. Their political connection only started after the British subcontinent and China recovered independence in late of 1940s. The earlier history of relation between Subcontinent and Qing Dynasty and the following Republic of China should be excluded, because it was mainly the part of history of relation between Great Britain and China, at least in China's perspective it is that.

Resuming the sovereignty over foreign affairs by new countries provided possibility to expand and develop their relationship, but the China and South Asia failed in establishing comprehensive and mutual

benefits relationship before 21st century, their economic ties were weak, China even involved a border conflict with the strongest country in that region that caused very severe geo-politics consequence. Of course China's friendly relations with the other regional members such as Pakistan helped to keep the regional stability, but this stability was with price of long-term confrontation within the regional members and between China and India.

Only after 21st century, the relationship of China and South Asia has been significantly changed, for the first time in the history, China participate the regional issues very positively and China's policy via-s-via South Asia was redefined. The relationships between two sides were enlarged, deepened and reorganized. Then many magnificent and positive phenomena have appeared among their relations, meanwhile some negative factors emerged and some traditional obstacles remain. Someone cheers up to the new perspective of China and South Asia relationship, and someone complains publicly or privately. However China is a crucial external partner of South Asia and would play more and more important role in the stage of South Asia.

02. Historical Overview

Before 21st century, China's South Asian policy could be regarded as the single-dimensional and limited strategy. "Single-dimensional" means there was a priority concern in China's South Asia policy, if not only concern the security. The intension of China's South Asian policy was to secure its western part of territory and avoid the crash with the regional power in South Asia during the Cold War. "Limited" signifies China never purchase any fundamental changes for any issue in this region, it was satisfied with maintaining the existing regional structure

To realize its strategy, China established very close links with certain South Asian countries, but not all of them. In fact, for the last four decades of 20th century, China's South Asian policy was based on a single pillar—its "all-weather friendship and all- dimensional cooperation" with Pakistan, the No.2 power in that region. The strong relationship between China and Pakistan was formed after the Indo-China border conflict and then the second Indo-Pakistan War which was in 1965. Basically, their relationship had an external target—India. The relationship between China and Pakistan was not politics-military alliance, and both of them never stated that they intent to contain India, but it was very obviously and could be observed by the cases of the Second Indo-Pakistan War and the Third Indo- Pakistan War in 1971. During these two wars, China never made any concealment of its sympathy and support to Pakistan, that attitude even influenced the relation between China and other South Asian countries beside India then China established the diplomatic relations with Bangladesh on October 5th, 1975, which is the same day of establishment of diplomatic tie between Pakistan and Bangladesh.

Although diplomatic relations with all South Asian countries except Bhutan were established since 1970s, it seemed that China never integrated its individual bilateral ties with smaller South Asian countries to realize a certain regional purpose, China did not encourage or plot the other South Asian countries to challenge India's advantage position in that region, showed the defensive character of its strategy. China also did not intent to setup an anti-India alliance in South Asia, although it had reason to do it—even late to 1998, India still stated publicly that China was the biggest threat. When Mr. George Fernandes, the Indian Defense Minister at that time made such kind of statement to excuse India's nuclear test but China addressed a severe statement and temporarily froze the relation with India, but those were adopted by China. China did not use the fear of India's neighbors to New Delhi's bomb to advocate anti-India propaganda or launch a crusade towards India, as some of smaller South Asian countries wished.

After China's "open and reform" strategy came under way, China did not expand its relations with South Asian countries into all fields in the last two decades of 20th century. China put economics interests as main issue in its relations with many countries and regions, such as Southeast Asia, Europe and Africa, and China has used its getting stronger trade ties with some countries to reduce the fundamental politics disputes between them, such as USA and west Europe, but the relationship between the China and South Asia was still quite traditional and focused on military and politics issues. The weak economic ties and loose people to people link exchanges existed between China's relations with South Asian countries for many years and China also seemed not desire to change this situation at least before 21st century.

Since 21st century, China fundamentally has changed its South Asian Strategic Approach and as an interactive result, at least four outstanding changes emerged among the relations between China and South Asia comparing with the past years. China has been conducting multi-dimensional cooperation with all of the South Asian countries. Its purpose doesn't limit in the security issue any longer, China desires to upgrade its relationship with South Asia in all fields. In the beginning of 21st century, China massively involved in South Asian issues and clearly has showed its intension and capability.

03. New Phenomena of the Emerging Era

China still no longer treated India as the main threat—if not only one in this region. During the period of Indo-China honey moon in 1950s, there was a well-known phrase used both in India and China—"Hindi-Chine BhaiBhai" that describing Indo-China relation. When the border conflict broke out, it was forgot and replaced by "Hindi-ChiniBye-bye". In the late of 1990s, a modified version of this phrase emerged—"Hindi-Chine Buy Buy", accompanying with increasing trade links between China and India. But now, the original version seems come back with more plentiful meaning. For the China, India is no longer a south big and usually unfriendly power, but a global partner to build an "Asian Century". Since 2000, by the joint effort of two sides, distance between Beijing and New Delhi has been shorten quickly, the freezing status over Himalayas emerging after 1998 nuclear crises has been thawed.

China and India agreed to establish a "strategic and cooperative partnership mechanism for peace and prosperity" during the visit of Chinese Premier Wen Jiabao to India in 2005. And during Chinese President Hu Jintao's office visit in 2006, the two governments issued office statement highlighting ten points strategy to accelerate the good bilateral relations. As the first Chinese President who paid a visit to India in a decade, Hu laid a milestone for the China-India relationship in the new century.

Currently, both of two became very important trade partners ties of each other and their annual bilateral trade volume has already reached the 20 billion US\$ in 2010. China is the second biggest trade partner of India, following USA, and India is the biggest trade partner of China in South Asia. 20 billion US\$ is not a tiny chip could be easily thrown away with the guaranty of the getting closer economic relations, still although the many disputes in other fields remains unsolved, it is hardly impossible that China-India relationship could go backwards to the hostile period of 1970s.

04. Parallel and Multiple Pillars Policy

The bilateral relations between China and India have enjoyed continuous progress in for a decade, meanwhile, China's relations with the other South Asian countries also made marvelous achievements, especially the relation

between China and Pakistan still remains unique and unbreakable. Comparing with the single pillar policy in the past years, now China's South Asian relations upgraded to parallel and multiple pillars—China not only warmed up its relation with India, but also keeps its hot ties with Pakistan, and has been gaining hospitality from the other countries.

It is understandable that Pakistan does not wish its all-weather friend China's step towards India faster than Pakistan's due to the history and geopolitics reasons. China also succeeded to reduce Pakistan's worry about the Strategic Partnership between the China and India by enhancing and expanding the China's traditional brotherhood relationship with Pakistan parallel with China's cooperation with India.

With the all efforts of two sides, China and Pakistan "all-weather traditional friendship and all-dimensional cooperation" is getting living up to its reputation and their economic cooperation boosts. Pakistan is the first country which one recognized China's full market economy status and the only one till now that has signed the FTA with China in South Asia. Besides than the fast growing economic cooperation between these two traditional friends, their traditional politics and security links are also getting closer. During the visit of Chinese Premier to Islamabad in 2005, the two governments signed "Treaty of traditional Friendship, Cooperation and Good-neighborly Relations between the People's Republic of China and the Islamic Republic of Pakistan" as an important legal foundation for the strategic partnership between China and Pakistan.

It is the first time in the history that one country could develop that its comprehensive cooperation relations with both India and Pakistan. Meanwhile, China also makes a rapid progress in its relations with the other South Asian countries of that region. Unlike Chinese relationship with India and Pakistan, Chinese relationship with the other South Asian countries focuses on economic communication, as the result of increasing Chinese economic influence in this region. And it provides a firm foundation for furthering their cooperation in the future.

05. China and South Asian Cooperation

Traditionally, China preferred from the bilateral diplomacy to multilateral diplomacy. But in the 21 century, multilateral diplomacy is getting more and more important in Chinese foreign affairs. After the great achievement gained by Chinese multilateral diplomacy in Southeast Asia then China began its attempt to participate the integration progress of South Asia.

In April, 2007, Chinese Foreign Affairs Minister Li Zhaoxing led a delegation to participate the 14th Summit of SAARC (South Asia Association for Regional Cooperation), that's the first time China was invited to this summit and it happened only a year after China had been adopted as an observer of the regional organization. During the summit, China initiated 5-points suggestions on developing the China and South Asian cooperation. Minister Li addressed that, "China respects the position of SAARC countries and the principles of equality, mutual trust and win-win cooperation, and is ready to carry out the exchanges and expand practical cooperation with the SAARC to contribute to the cooperation process and peace and development in South Asia."

China suggested to establish cooperation mechanism for poverty alleviation and carrying out a comparative study on models of poverty alleviation and exploring with SAARC the possibility of establishing the China and SAARC regular meeting mechanism for cooperation on disaster relief and mitigation.

Chinese proactive and constructive attitude towards SAARC expressed the great attention of this fastest growing economic entity paid to South Asia. China has manifested its willing and capability to participate the South Asia integration process. The 14th SAARC summit witnessed Chinese multilateral diplomacy is emerging at the stage of South Asia. China no longer treated the South Asia as seven individual countries, but a whole regional entity with desire for integration, and China is cherishing this opportunity to make contribution to this process. It prepared ground for the future positive interactive between China and South Asia within frameworks of SAARC.

06. Chinese Multilateral Diplomacy

Chinese objectives in South Asia have been already beyond the traditional security issue. Its linkage with South Asian countries expanded to all fields including economic, communication, culture exchange, energy and the untraditional security cooperation. Besides the fruitful economics links, the China-South Asia cooperation in other fields are more successful than that in past years.

China was realized that the people to people communication and the culture exchange aren't marginal parts of the international relations. China hopes to deepen a common understanding of the peoples of China and South Asia with the help of cultural and tourism cooperation to sustain the traditional friendship and enhance interactions between China and South Asia. China is an energy-thirsty economic power, as well as India. These two have common requests in energy resources field. There have been several successful cases that China and India cooperated in the international energy market, and China also supports the regional energy cooperation in South Asia. China also launched cooperation in untraditional security field with South Asia. China also established counter terrorism cooperation mechanism with India.

Multi-dimensional cooperation in vast fields contributes China to consolidate its relations with South Asian partners. With the help of these getting closer ties with South Asia, China is more and more confident when cooperating with latter and emerges as "peace and stability factor" in the frameworks of South Asian regional system. So far, China-South Asian relationship could be regarded as successfully and smoothly, but there are still many obstacles, including some new emerging challenges and some unsolved traditional difficulties.

07. Problems and Future Challenges

07.1 Traditional Geopolitics Dispute

Judging from the integration achievements gained, the process of integration of South Asia is quite slow and insufficient, sometimes even moves forward two steps but backward one step. It is not economic factor but the long-term rivalry between India and Pakistan hijacked not only the development and expansion of the SAARC, but also the integration process of that region and the other issues including the relations between external players with South Asian countries. The core issue of these two countries traditional geopolitics dispute is Kashmir, and since 1998, the nuclear issue has intruded. Even though both sides repeated their good-willing for many times and launched many diplomatic and propaganda steps to mitigate the situation and promote the bilateral relation, the tension remains and no one could expect it could be relaxed in near future. For any external partners, India and Pakistan dispute is the priority concern when making policy or taking actions towards this region.

For the China, Pakistan is not only a faithful old friend but also a very important partner. Even China no longer regards India as an unfriendly neighbor, the strategic value of Islamabad still is irreplaceable to Beijing, Pakistan plays crucial role in China's counter-terrorism struggle and a bridge to the Middle-East and Islamic world, as well as a potential energy corridor to realize Chinese energy diversity strategy. Meanwhile, India is one of Chinese main colleagues to build New International Politics Order and the biggest trade partner in this region. So if India and Pakistan still oppose each other, it's inevitable that China would face a dilemma. China should help these two to setup a mechanism of mutual trust. It is obviously benefits to China.

07.2 External Factors Impact

In strategic terms, South Asia was never an important region for the United States of America during the last many years. Now things changed. South Asia is still not considered a region of primary importance by USA, but its strategic value rise up significantly. For USA, South Asia is the battle front to crash the terrorism spread from Middle-Asia and Middle East, also an arena to competing with and containing China.

Since 1990s, the American South Asia policy transited from Balance Strategy to Beyond Balance Strategy. Alliance between USA and Pakistan, which is against partnership between Russia and India, was renounced by Washington step by step, and India became the keystone of USA's South Asia policy. India is regarded as a "natural partner" of USA, a member of "Democracy Community". As most significant evidence of USA's Beyond Balance Strategy, Washington indirectly recognized India's nuclear state status through the agreement on civil nuclear cooperation signed during the visit of President G.W.Bush to India in 2006, but refused Islamabad's similar request. India and USA never addressed any statement or officially admitted their cooperation is confronting China, but in fact, it's very obviously that "the strongest democracy country" is seeking to ally with "the most populated democracy country" in order to balance "the fastest growing economic entity in the world". Of course, the cooperation between Washington and New Delhi also covers many other fields, including power security, communication, non-proliferation etc. But managing China is a very important part.

07.3 Trade Disputes

The increasing trade disputes, such as main complains from the local manufactures and anti-dumping investigations came after Chinese increasing commerce links with South Asia in recent years. Disputes brought by the Chinese increasing communication with South Asia neither only in India, In Pakistan and the other South Asian countries, imbalance trade and disputes caused also could not be ignored.

China enjoyed huge favorable imbalance in all the bilateral trade relations between China and the rest South Asian countries—Sri Lanka, Bangladesh, Nepal, and Maldives. Bhutan is the only exception because there is no direct trade links with China. Although currently the trade conflict still remains relative slight and could be controlled, it has already brought a certain negative effect to the relations between China and South Asia. Considering China would preserve the competitive edge in economic arena with South Asia smaller countries even in certain fields with India, it is not expectable that the trade disputes would be resolved in short time. China should find a way to minimize the negative factors of the increasing economic links and manage to avoid the harm to the political relationship.

08. Conclusion: A New Context of “Chindia”

“21st Century belongs to Asia”, in late of 1990s, such as the prophesy may be regarded as an over optimistic view about Asia ‘rise-up’, but now people would say it is a little bit pessimistic, because what we heard that from the mass media in languages nowadays is that “21st Century is Asian Century”. In recent years since collapse of Soviet Union, the most of influential international event is Asia’s “Rise-up”; the most outstanding parts are China and India.

As two emerging Asian power with continuously increasing international interests and influence, how China and India handle their relationship will be critical for both countries, and the regional and global peace of prosperity in coming years. The relation with India is the core in the chain of relationship between China and South Asia; the former not only inhibited the latter, but also models the structure of the South Asia regional system.

Bill Emmott, the senior editor of *The Economist* pictured the prospect of China- India an “Chindia” in Jan 2006, “These days there is one thing most do seem to agree upon: that China and India are on the move that these Asian mega-countries will be the great powers of the future. That notion has even produced a new word, “Chindia”, intended to convey the combined effect of the elephant and the dragon. And along with that view comes another: that China, the one-party dragon state, is likely to lead the way, growing faster and becoming more powerful than democratic, muddled, elephantine India. Moreover, the China growth will lead it to dominate the world manufacturing business, while then India will lead it to take over a lot of services, especially the software programming and many of ‘business processing tasks.’” In his article “The future power of Chindia”, Emmott asked the same question the other people asked every time when this magic word “Chindia” mentioned since it was created by Jairam Ramesh in 2005, “Will they work together, to lead Asia and perhaps the world?”

Although it is obviously that China and India which their population occupies one third of the whole world now are getting stronger and richer than past years, it still could be argued that the so-called “rising-up” of Asia or these two countries are realized or not yet with global meaning, but it could not be used to relax the anxiety even fear of the Western world and also decrease the delight or smugness of the some Asian people, because of they—both who are for or against the rising up of China and India are not talking about reality but potential prospect.

It should be recalled that two Indian opinions, one is the pessimistic Jairam Ramesh, the other optimistic Jawaharlal Nehru. The former said that “both countries should come together and make use of this opportunity in time to strengthen their relations not only in terms of business but culturally and with people to people contact as well. This would be a great occasion for India to use the collaboration with China and make itself a more important player on the world stage.” And the latter pointed out half century ago, “In a long-term view, India and China are the two biggest countries of Asia bordering on each other and both with certain expansive tendencies, because of their vitality. If their relations are bad, this will have a serious effect not only on both of them, but on Asia as a whole.”

It is too risk to rival for China and India, the two powers with huge influence on each other. Even there are many obstacles, mistrust and concerns, the China and India should work together to try to remove the

blocks, enhance their mutual trust and the expand their shared interests, not only for gaining win-win achievement, as well as for avoiding lose-lose danger

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