

China and India in the post Cold War Era: Bilateral Engagement in Select Theatres of World Politics

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By

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Certified that the Thesis entitled **CHINA AND INDIA IN THE POST COLD WAR ERA: BILATERAL ENGAGEMENT IN SELECT THEATRES OF WORLD POLITICS** submitted by me for the award of the Degree of Doctor of Philosophy in Arts at Jadavpur University is based upon my work carried out under the supervision of Dr. Purusottam Bhattacharya, Professor, Department of International Relations, Jadavpur University and that neither this thesis nor any part of it has been submitted before for any degree or diploma anywhere/elsewhere.

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Preface

With the end of the cold war in 1990, the distribution of capability across the units of international system (the sovereign independent nation states) altered drastically. The events which led to the beginning of a new era in world politics primarily produced a new configuration. The nature of this new configuration, its possible implications thus became a subject of recurrent debates among the policy makers and observers of international relations. Nevertheless, an overall consensus of it being a multipolar world order was reached at thereby bracketing India and China as the potential super powers of the present order. The fundamental reason behind such a categorisation lay in the promising growth figures which these countries displayed. The rise of India and China, their experiences, the convergences and divergences of policies in world politics thus became a very pertinent area of research. A brief literature survey on the area shows that although comparative studies on the rise of India and China have been carried out extensively, their rise has not been captured in a comparative framework taking into account their engagement policies in a specific area. Hence, the present study proposes to undertake a comparative analysis of their rise by studying their engagement policies in select theatres of world politics.

The present dissertation is premised in the neo-realist (structural realism) understanding of international relations thus hinging upon the relative power position of the two countries. It attempts to compare and explain the rise of India and China during the post cold war era by uncovering the contours and latent dynamics of Sino-Indian engagement in different theatres of world politics, namely, Southeast Asia, Africa and Central Asia.

The analysis tries to provide an understanding about the rise of India and China by studying their engagement policies in three different areas.

I have received immense support and guidance and assistance from many quarters in successfully carrying out this study and seek to acknowledge all people whose contributions have made this study possible. I am sincerely thankful to the almighty for providing me the opportunity and endurance to carry out this study despite all odds.

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- Central Library, Jawaharlal Nehru University, New Delhi

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- Institute of Chinese Studies Library, New Delhi
- National Library of China, Beijing, PRC

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With the help of all these it is manifest that the errors and failings, if any, are mine alone.

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Chapter 1

Sino Indian Engagement: A Theoretical Understanding

Introduction:

If one chooses to view International Relations from the conventional vantage point of power politics, studies concerning emergence/re-emergence/rise of nation states possessing the potential of transforming the world order become a relevant one. The emergence/re-emergence of a state occurs because of a shift in the basic priorities and policies undertaken by the leadership of that country and such a change is primarily related to a changed/changing global order. There lies a deep set structural relationship between a changing/changed world order and a commensurate shift in the domestic policies of a country. Emergence of a particular country as a potentially powerful one constrains and constructs the global order to a large extent and the global order in turn constrains and constructs the policy options of the state. As is evident, the present dissertation is premised within the bounds of the neorealist school of International Relations theory, specifically the strand of Structural Realism advocated by Kenneth Waltz.

The dissertation endeavors not only to trace the trajectory of Sino Indian engagement in various theaters of world politics but also tries to analyze their underlying dynamics. The introductory chapter begins by the context in which the present study is based and also throws some light on the theoretical premise the work chooses to use. The second part of the chapter presents a literature survey thereby locating the research gap which this work attempts to address. Having established the research gap therefore, the third

part brings about the research questions followed by a short paragraph on the research methodology that has been adopted.

Context and Premise:

A study attempting to map the rise of China and India during the post cold war era by focusing on their engagement in select theatres can only be carried out if we admit that a structural change was underway in world politics with the fall of the mighty Soviet Union. The dynamics which brought about the change and the implications which it had upon world politics happen to be the bedrock of this study. Thus, selection of a theoretical framework would depend upon its capacity of explaining the dynamics underlying the change and the implications that followed. Realists emphasized upon the ubiquity of power and the competitive nature of politics among nations which is why it falls short as a theoretical framework in explaining Sino Indian engagement during the post cold war era. Classical realism had only explained conflict as the inevitable outcome of interaction between nation states thereby limiting its explanatory capacities beyond a certain point. The emergence of countries like India and China as rising powers during the post cold war era have been a result of redistribution of power among units (states) of the international order. The way India and China would be conducting themselves in world politics would also be a direct result of their individual capabilities. A theoretical framework which explains the above is the structural variant of neo-realism by Kenneth Waltz¹. True to the basic tenet of realism, structural realism also celebrated the notion of power. Unlike the realists, Waltz attributed the reason behind state behavior not to the

¹ The seminal work by Kenneth W. Waltz which had introduced neo-realism is *Theory of International Politics* published in the year 1979

innate self seeking character of human beings but to the structure of world politics which is essentially anarchic. Waltz opines that, the structure of world order is composed of units, which according to him are states. These states are sovereign in nature and are therefore in perfect liberty to act on their own accord. The absence of a superior in charge of formulating and implementing regulatory norms of behavior makes the world order an anarchic one. Waltz further argues that, the behavior of states towards each other in the absence of a regulatory authority/platform moulds and shapes the world order and the ways of the world order continuously constrains state behavior. Hence, states behave the way the system compels them to. The theorization which was forwarded by Kenneth W. Waltz was an analysis of world politics at the systemic level. It is here that Waltz draws a parallel between the international-order with states as its composing units on the one hand and a market with firms as its composing units on the other hand. He states that firms act in perfect self interest to maximize their gains unbridled by any governing body by means of regulations or norms. The firms, by acting in their self interest in an unbridled manner give rise to forces which in turn forms the market and the market in turn constrains the behavior of the firms. To quote Waltz:

International political systems, like economic markets, are formed by the coactions of self-regarding units...International political systems, like economic markets are individualist in origin, spontaneously generated and unintended. In both systems structures are formed by the coactions of the units...Both systems are formed and maintained on a principle of self help that applies to the units².

Elaborating about the character of the units which comprise the international system, Waltz states that, unlike a hierarchical set up in which composing units have a variegated

² Kenneth W. Waltz, *Theory of International Politics*, Mc GrawHill, United States of America, 1979. p.91.

description of their functions, an anarchic situation (like that of the international system) does not provide any functional variation. The composing units, the states, thus perform similar functions. They are not formally differentiated by the functions they perform. Differences among units are noticeable when one considers their respective capability factors. To quote Waltz once again,

Each state, like every other state, is a sovereign political entity. And yet the differences across states, from Costa Rica to the Soviet Union, from Gambia to the United States, are immense. States are alike and they are also different³.

The states are functionally undifferentiated; they are distinguishable only in terms of lesser or greater capabilities of performing similar tasks. Hence, it is the distribution of capabilities among the units of an international system which determines the nature of the order. It is on the basis of capability distribution that number of poles in an international system is determined. Since states are differentially placed by virtue of their respective power, even if there is a cooperative relation between two states the relative power position between the two would determine the outcome of that relationship. Waltz opines that, even if there is strong economic integration which apparently rules out possibility of a war, the question of '*who would gain more?*' does not vanish since the relative power positions of the states involved is a reality.

With the end of cold war in 1990, the distribution of capability across the world altered drastically, hence bringing about a new configuration of poles referred to by scholars and policy makers as a 'multipolar' world order. It is in this context that, the emergences of countries like India and China become relevant. These two countries along with a few

³ n 2, p.97.

others like Brazil, South Africa etc. received frequent appraisals in the international community as the superpowers in making to whom the next century belonged. The present dissertation seeks to analyze the contours of Sino Indian engagement in various theaters of world politics under the light of Waltzian structural realism. The dissertation hypothesizes that, it is the relative power position of India and China that determines the contours of India's and China's engagement with areas like South East Asia, Africa and Central Asia.

Literature Survey:

a. Rise of India:

Post cold war world order not only gave rise to questions regarding the nature of the newly emergent world order but also fostered a substantial body of literature revolving around the question of rise/emergence of countries located primarily in Asia, Africa and Latin America. It is here that India and China comes into the canvas of post cold war scenario. Post cold war international relations thus added to the discipline multilayered discourses on the nature and effect of the rise/emergence of potentially powerful nations, which were deemed able enough to affect / alter the existing international order. If one looks at the rise of India discourse which has gathered muscle with each passing day, one is sure to locate certain common strands within it. Readings of some of the principal works on the above mentioned theme has lead me to infer that the sustenance of the 'rise of India' discourse flows from a set of assumptions deeply embedded in the body of the discourse. In order to establish my argument it is mandatory to take a fleeting look on some of the select texts on the rise of India discourse.

The works of Ashok Kapur, C.Raja Mohan and Stephen Cohen tend to highlight events that can be described as turning points in India's foreign policy during the post cold war period thereby ascribing India's ascent to these events. Their works focus on explaining the factors which according to them have been instrumental behind the emergence of the discourse. Such factors range from domestic shifts in policy to major foreign policy decisions that India had opted for after the end of cold war. Ashok Kapur regards India's emergence as a catalyst in bringing about regional and international change, capable of converting the challenges (against its interests and its peoples) to opportunities. Kapur accounts for India's emergence to the 1998 nuclear tests which had overnight brought about a range of international reactions spanning from outright criticisms to silent praises. This according to the author was a watershed, which not only altered the course of India's policy options in world politics but also the way she was perceived by the rest. India's perception underwent a complete transformation. The first alteration according to Kapur came in the form of 'unfreezing stalemated relationships'⁴ with the distant powers and her immediate neighbors and the second alteration arrived with India's assertive decision of not submitting to the non-proliferation norms envisaged by the select few. India's refurbished stature vis-à-vis the international order received further reinforcement with the stance India took following the September 2001 terrorist attacks on the US. The author argues that, India, by repositioning herself at three levels (international context, the Asian context and the context of the immediate neighborhood),⁵ has received a fillip in her stature and stance. He further states that this

⁴ Ashok Kapur, *India: From Regional to World Power*, Routledge, London, 2009. p.1.

⁵ Ashok Kapur emphasizes at the international level that, India has developed a presence in the global strategic economic mainstream; at the level of the Asian continent the author argues that India has a substantial and consequential involvement in the issues which merit international attention sometimes in

happened during 1998 and 2004, the period during which India consciously moved away from the long held diplomatic practices. As Ashok Kapur puts it,

“...Indian passivity and unwillingness to think outside the Nehru box, was instrumental in producing a pattern of stalemated relationships. By failing to militarily and economically engage the powers and to build opportunities that facilitated negotiated restraints in military issues, Nehru style Indian practitioners facilitated the great powers’ intervention in Indian strategic affairs...between 1998 and 2004, the BJP coalition escalated international and regional tensions by its nuclear missile tests and by its willingness to go to war with Pakistan in 2001- 02.”⁶

C. Raja Mohan, in his seminal work believes that India had crossed the Rubicon on account of a fundamental shift in its ethos of collective decision making as a result of changed circumstances. The decision to build a modern capitalist nation marked a basic turnaround from the national consensus of the post 1947 days, which spoke highly of building a society with socialist attributes. The politics of economic liberalization since 1991 successfully brought about a fundamental shift from India’s obsession with ideological affinity. The author argues that India’s leap from idealism to pragmatism was reasonably reflected in her decisions⁷. The elite had shed off the deeply ingrained anti-west mode of thinking thereby unshackling itself from the restraints of being the flag bearer of third world-ism to the path of promoting self-interest. To quote the author:

convergence with the US, while at times otherwise. The final level of the immediate neighborhood Ashok Kapur argues that India has repositioned herself militarily, politico-diplomatically and economically.

⁶ n 4, pp. 15-16.

⁷ The nuclear tests of 1998; the end of the cold war which led to questions being raised on the relevance of non Aligned Movement; the way India related since the 1990s with the major powers with the USA at its helm; India’s policies to address an ever more ‘aggressive’ Pakistan and India’s policies towards her small neighbors and that of the extended region are all intrinsically connected to the basic shift.

“India has moved from its past emphasis on the power of the argument to a new stress on the argument of power. The conscious rediscovery of power as the crucial dynamic by Indian foreign policy makers does not mean India has become a cynical nation unconcerned with the normative dimension of global politics. Instead India has merely reconfigured the mix between power and principle in the pursuit of its national interest.”⁸

In one of his later articles, C. Raja Mohan emphasized that India which has the potential of becoming a leading member of the political West and play instrumental roles in great political struggles would ultimately be determined by the readiness of the Western powers to engage India in its own terms⁹. Stephen C. Cohen in one of the most celebrated works on the theme of India’s rise, gives a bird’s eye view of the factors which are critical to India’s emergence as a great power; like, India’s relations with Pakistan, the 1998 nuclear tests conducted by India, her policies vis-à-vis her immediate neighborhood including China etc. and assesses the trajectory of India’s rise. Cohen further argues that “India has begun to overcome its many deficiencies and has discovered new strengths”¹⁰ which range from the economic reforms which were flagged off in the 1990s to the growing cultural influence India garners internationally (films, music, food etc.). What remains instrumental to India’s rise according to Cohen, in one his articles is that, India would need to act like a major power and the US on the other hand would need to recognize the ‘change’ India has undergone¹¹.

⁸ C. Raja Mohan, *Crossing the Rubicon: The Shaping of India’s new Foreign Policy*, Viking by Penguin Books, New Delhi, 2003. p. 1.

⁹ C. Raja Mohan, “India and the Balance of Power”, *Foreign Affairs*, 2006, Vol. 85, No. 4, p 18.

¹⁰ Stephen P. Cohen, *India: Emerging Power*, Oxford University Press, New Delhi, 2001. p. 298.

¹¹ Stephen P. Cohen, “India Rising”, *The Wilson Quarterly*, 2000, Vol. 24, No. 3, p. 32.

The works of Baldev Raj Nayyar and T.V.Paul, Harsh Pant, Sandy Gordon and Sumit Ganguly chooses to locate and analyze issues which impede India's possible rise as a superpower, thereby suggesting probable courses of action. These works in a way choose to question and appraise India's rise as a superpower in the post cold war era. A glance of Baldev Raj Nayyar and T. V. Paul's work on the issue makes interesting analyses. Following the principles of system level analysis, the authors have argued that the foreign policy behavior of India being driven by the aspiration to achieve a major power status has been witnessing a contest with the existing major powers. They further put forth that, the consequences of India's ascent to major power podium would be divergent upon its present occupants¹². In a later article, Baldev Raj Nayyar has conceded that in order to be accepted as a global player in world politics, India ought to practice 'deft geopolitical management' and also ought to 'overcome continuing serious challenges at home' so that it is able to sustain its gradual and steady ascent¹³. Harsh V. Pant in his latest work on the theme of India's foreign policy has argued that in spite of a general consensus both in the country and outside its borders about the potential of India's claim to be a consequential power, there still exists little consensus on a strategic framework which India ought to apply while engaging with the external world¹⁴. He further proposes that, India's stature would be substantially carved out on the basis of her interaction and the stance she takes on a number of issues¹⁵. The lacunae which Pant claims to have plagued India's 'decision

¹²Baldev Raj Nayar and T.V.Paul, *India in the World Order: Searching for Major Power Status*, Cambridge University Press, Cambridge, 2003. p.1.

¹³Baldev Raj Nayar, "India in 2005: India Rising but Uphill Road Ahead", *Asian Survey*, 2006, Vol. 46, No. 1, p.95.

¹⁴ Harsh V. Pant (ed.), *Indian Foreign Policy in a Unipolar World*, Routledge, London, 2009.

¹⁵ The issues namely are: India's relations with the US, the idea of a strategic triangle revolving around Russia, India and China, India's nuclear doctrine and its impact on the emerging civil-military relations,

making' environment is, the sheer lack of a coherent overarching framework. To quote from the introductory lines:

“There is clearly an appreciation in the Indian policy making circles of India's rising capabilities. It is reflected in the gradual expansion of Indian foreign policy activity in recent years, in India's attempts to reshape its defense forces, and in India's desire to seek greater global influence. But all this is happening in an intellectual vacuum with the result that micro issues dominate the foreign policy discourse in the absence of an overarching framework.”¹⁶

Harsh V. Pant in an article on India's foreign policy has further opined that India's quest for the role of a major power in international politics has faced and would continue to confront serious regression owing to a couple of deep seated menaces¹⁷. The author is of the opinion that, it is imperative that India recognizes the requirement of exploiting the extant structure of international system to its advantage more effectively. Next, the author argues in likeness with C. Raja Mohan's observations that, India ought to shed off her discomfiture with the “notion of power and in particular its wariness regarding the use of hard power”¹⁸. Harsh V. Pant further underscores the existence of ‘little consensus on a strategic framework around which India should structure its external relations’¹⁹ to be another impediment which thwarts India's rising stature.

Sandy Gordon in his work on the rise of India poses immediate questions regarding the restraints which plague the potential, rather than the factors which have been

India's position on the ballistic missile defense system, India's relations with Iran and Israel and her quest for energy security.

¹⁶ n 10, p.16.

¹⁷ Harsh V. Pant, ‘A Rising India's Search for a Foreign Policy’, *Orbis*, 2009, Vol. 53, No. 2, p. 24.

¹⁸ n 10, p. 250.

¹⁹ Ibid. p.1.

conducive enough to run the wheels of ascent²⁰. Some of the restraints according to the author are India's size and the diversity associated with it, the prospects of making a multi party democracy work within such diversity and the secrecy associated with the Indian strategic culture etc.

Sumit Ganguly has in one of his articles on the theme of India's rise stated that, India aspiring to be a major Asian power is following a policy of hedging against China. Despite the shifts that have rerouted Indian foreign policy since 1990s, her acceptance in the subcontinent remains under perpetual challenge from her neighbors. A second line of challenge is posed by India's unimpressive domestic parameters of development which in turn would arguably give rise to another set of threats. The concluding observations about India's possible choices in the foreseeable future enumerated by the author require a cursory view. Ganguly observes that shedding the ideological baggage both in the realm of foreign as well as domestic policies has been confidently embarked upon by the decision makers. Along with it comes, the author's second observation about the intrinsic nature of India's political culture which effuses a strong notion of autonomy in decision making and most interesting of all, the author observes that despite India's dramatic rise in the past decade only a few Asian states have perceived it as threat /challenger /usurper²¹.

²⁰ Sandy Gordon, *India's Rise to Power: In the Twentieth Century and Beyond*, Great Britain, Macmillan, 1995.

²¹ The reasons forwarded by Sumit Ganguly which according to him have been primary are: India consciously is not seeking any coalition aimed at challenging the existing international order; India has accepted the percepts of the by and large neo liberal global order and that it has remained a functioning democracy.

The final category of work tries to project and predict India's future course of action as a major stakeholder in world politics vis-à-vis the major powers. To that effect, Devin T. Hagerty uses a neo-realist frame of reference in Harsh V. Pant's edited volume wherein he has argued that, India is on the path to achieve the status of a great economic and military power and will emerge as one by 2020²². He further argues that India would be one of the pivots in the emergent global balance of power machination, the other two being US and China and that the triangular frame would materialize as a decisive component in the emergent world order. The justification provided by the author behind India's position in the triangular frame flows from the results of a comparative study between hard and soft indicators of power.

b. Rise of China

The People's Republic of China has been a consequential player in international politics since her birth as a socialist state in 1949. China's position in the ideological canvas of the Cold war was very crucial and her role in international politics got all the attention because of the ideological and geographic proximity to the Soviet Union. The climate of bipolar politics which had dominated relations among states since 1945, assumed another dimension since the divergence which occurred between the two socialist neighbours in the late 1960s. With the end of Cold War, the question about polarity in international politics received renewed significance. Since polarity in world politics is an indicator of the nature of the distribution of power, with the fall of the Soviet Union questions regarding the future distribution of power in world politics were

²²Harsh V. Pant, "A Rising India's Search for a Foreign Policy", *Orbis*, 2009, Vol. 53, No. 2, p. 24.

raised with renewed vigour by the academia and the policy makers across the spectrum. Eminent theorists like Charles Krauthammer, G. John Ikenberry, Joseph S. Nye (Jr.)²³ etc. had characterized the post cold war world order in terms of unipolarity, nevertheless, visible signs of potential power centers (mostly outside the geographical bounds of the ‘West’) were pointed out by a number of other scholars²⁴. On the domestic plane a number of significant changes were brought about by the leadership of the PRC in 1978, results of which were prominently visible during the early 1990s and since then China’s rise has assumed a more or less central significance with scholars and policy makers analyzing, questioning, and predicting the scope and consequence of the rising Asian giant. This very discourse of the ‘Rise of China’ has been perceived from different positions by the West and the neighbors of the PRC on the one hand and the Chinese academia on the other hand. China’s rise has been invariably colored with an apprehension of threat, while the same has been painted as ‘peaceful rise’ by some. Another set of literature also exists on the theme which interrogates the adjective of ‘rise’ itself and it is in this body of literature that questions regarding the inherent lacunas of the reform process have been highlighted. Before we start uncovering the rationale behind the emergence of the discourse itself and the resultant attention that was given to China’s

²³ Charles Krauthammer, “The Unipolar Moment” in *Foreign Affairs*, 1990/1991, Volume 70, No. 1, p. 23-33; G. John Ikenberry, “The Myth of Post Cold War Chaos” in *Foreign Affairs*, Volume 75, No. 3, 1996, pp. 79-91; Nye, Joseph S. (Jr.). *What New World Order?* in *Foreign Affairs*, 1992, Volume 71, Number 2, pp. 83-96.

²⁴ John J Mearsheimer, “The Future of the American Pacifier” in *Foreign Affairs*, 2001, Volume 80, No. 5, p 46-61; Richard Bernstein and Ross H. Munro, “The Coming Conflict With America” in *Foreign Affairs*, 1997, Volume 76, No. 2, p.p 18-31; Kishore Mahbubani, “The Pacific Way” in *Foreign Affairs*, 1995, Volume 74, Number 1, pp. 100-111; Daniel W. Drezner, “The New World Order” in *Foreign Affairs*, 2007, Volume 86, Number 2, pp. 34-46; Paola Subacchi, “New Power Centers and New Power Brokers: Are they Shaping A New Economic Order?” in *International Affairs*, 2008, Volume 84, Number 3, pp. 485-497 etc.

rise since the end of the Cold War, it would be pertinent to have some idea about the character of the literature which exists on the same.

The existing literature on the discourse has been classified into two broad halves, the perspective of the world towards the rise of China and that held by the state officials, scholars and policymakers of PRC against the notion of the rise of China. The most direct and popular expression of the China threat theory has been authored by Richard Bernstein and Ross H. Munro, who argues that China poses the next major threat, be it as a civilization or as a power²⁵. Other scholars who have subscribed to the threat perception are David Shambaugh, Robyn Lim and Richard Parker etc²⁶. Some of the common contentions within this body of literature are:

- China and the US have become global rivals since their strategic partnership ended with the collapse of the Soviet Union
- That the growing Chinese economic prowess would translate into enhanced military capability
- Chinese nationalism can be characterized to be aggressive in nature owing to the deep seated psychological need anchored in a history of grievances
- The clandestine arms and technology transfer deals with countries Libya, Pakistan, Iran, Myanmar etc are in direct contradiction to the interests of the international community.

²⁵Richard Bernstein and Ross H. Munro, *The Coming Conflict With China*, Alfred A. Knopf, NewYork, 1997.

²⁶ David Shambaugh, "The United States and China: Cooperation or Confrontation" in *Current History*, 1997, Volume 66, Number 611, pp. 241-245; Robyn Lim and Richard Parker, "US and China Rig for Collision" in *The Japan Times Weekly* (International Edition), 1996, 9th-15th December.

Scholars like Zheng Bijian offered an altogether different perspective to China's rise by characterizing it to be a peaceful one²⁷. He has considered the path of modernization being followed by China since 1978 to be, "the development path to a peaceful rise". He has argued that China's emergence has been primarily driven by capital, technology and resources unlike some of the other emergence stories where the country in question had taken recourse to expansion through colonization. S.J. Noumoff in a seminal article has refuted the threat theory by questioning the self proclaimed guardianship of the Western Civilization which attaches with itself a particular set of values/norms and style of governance²⁸. China, according to him has been deliberately demonized since the US has clearly failed in translating economic open door policy operating in the PRC since 1978 into liberal democratic political machinery which would have made China a part of the international order of the US making. Noumoff has from this perspective questioned the veracity of the much hyped threat perception being popularized by the West. Sailing far away from these two extremes is the analysis provided by the noted scholar Gerald Segal who unlike the other scholars has not attached a value to China's rise, rather he has asserted that China's rise has been exaggerated by scholars and misinterpreted too²⁹. *Does China Matter?* - The title itself is suggestive of the argument the book offers. To quote Segal:

At best, China is a second rank military power that has mastered the art of diplomatic theatre: it has us willingly suspending our disbelief in its strength. In fact, China is better understood as a theoretical power – a country that has promised to deliver for much of the

²⁷ Zheng Bijian, "China's Peaceful Rise to Great Power Status" in *Foreign Affairs*, 2005, Vol 84, No. 5, pp.18-24.

²⁸ S.J.Noumoff, "Is China the Next Threat?" in *China Report*, 1999, Vol 35, No. 4, pp. 467-491.

²⁹ Gerald Segal, "Does China Matter?" in *Foreign Affairs*, 1999, Vol 78, No. 5, pp. 24-36.

last 150 years but has consistently disappointed. After 50 years of Mao's revolution and 20 years of reform, it is time to leave the theater and see China for what it is³⁰.

Segal has substantiated his claims after analyzing China's stature in the realms of economy, military and polity. Pushing aside the often used Kodak version of growth³¹ to denote the sheer size and potential of the Chinese economy, Gerald Segal has negated the idea that China is a huge market. Taking note of the Human Development Index, the annual share of China's GNP in the world GNP from 1900 to 1997, Segal concluded that though China had done better in terms of growth of her economy in the last ten years (counted from the year of the publication of the article last ten year would mean 1989-1999), the rhetoric which is generally used to signify China's growth as the next economic powerhouse is definitely an exaggeration. He draws a similarly disheartening picture of the international trade scenario of China. In the realm of military power, Segal relegates China to that of a 'second rate' military power. He adds that China matters militarily to a certain extent simply because it is not a status quo power, but it does not matter so much that it cannot be constrained. China, according to Segal is not a global ideological rival, but only a regional threat. He points out that it is China's clandestine arms deal with states like, Libya, Iran, Myanmar, Pakistan etc. which run contrary to Western interests. Politically, China matters even less given her dismal human rights record, governance related issues which she faces, the factionalism which has endangered the prospects of the CCP and so on and so forth. China is absolutely friendless in the international arena because of her mistrust on the notion of international interdependence, which has left her politically high and dry. The conclusion which Gerald Segal draws is

³⁰ n 30, p 24.

³¹ It implies that if only each Chinese will buy one full roll of Kodak film, instead of the average half – roll that each currently buys, the West will be rich. (Segal, p 24).

that, China should be treated as a normal middle power, and policies should be chalked out accordingly. Nicholas D. Kristof, a veteran journalist of *The New York Times* had forwarded a diametrically opposite view of that of Gerald Segal's. He warned the international society of not paying adequate attention to China's phenomenal rise, which according to him was one of the decisive events of the post Cold War era³². Though Kristof starts off with a note of optimism gyrating around the rise of China to be of such consequence that it would replace the United States in the first half of the next century, he adds subsequently that, such a possibility would be directly proportional to China's ability to overcome some of the hurdles like: the crisis of legitimacy; centrifugal forces of ethnic separatism emanating from the peripheral regions like Taiwan and Xinjiang; the bloated and unwieldy sector of the state owned enterprises etc. Kristof held that, the literature which had poured in regarding the rise of China, suffered from a major lacuna: none of them had ever tried to put China's efforts to gain the superpower status in perspective. He addresses the concern pointed above after analyzing various facets of China's growth. In the economic sector, he adds China as the 'fourth pole' to the conventional 'tripolar' axis comprising United State, the EU and Japan with substantial evidence; he never the less points out that a major part of China's economic growth is related to the sheer size of her population and that China's economy needs to get rid of the inflationary tendencies. Another worrisome aspect of China's growth is her huge appetite for energy, which in the long run would leave environmentalists gasping. He further says that China according to recent data had already taken its toll on the environment because of the pace and scope of the reform process undertaken by her since 1978. In the defense sector, Kristof points out that China has been using its economic

³² Nicholas D.Kristof, "The Rise of China" in *Foreign Affairs*, 1993, Vol 72, No. 5, pp. 59-74.

boom to finance a far reaching military buildup. He rounds up his argument by raising the judgmental question about China's rise. Kristof argues that, the tendency of finding fault with China for building up its army, for corroding the environment and for practicing a closed polity and maintaining an aura of secrecy around the actual policies, is unjust. He justifies the policies undertaken by China to be perfectly in place with her ambitions of being a superpower. China according to Kristof is not coveting for territories with which it has no historical link. A part of China's policies regarding the disputed territories can be explained when her territorial losses during the last century and a half is taken into account. The army according to Kristof is also looking for a new role following the decline of the Russian threat, to uphold her image as the ultimate protector of China's interests in the disputed areas thereby giving rise to a lot of skepticism regarding China's power projection. He therefore justifies the policies undertaken by China to be in place with her national interest. To quote Kristof:

When they have been cheated, weak nations cite principles while powerful nations invoke artillery. This is as natural today as it was when the Athenians explained international relations to the Melians 2,400 years ago: "The strong do what they can and the weak suffer what they must." China is now in the process of transforming itself from a weakling to one of the strong. It will have the opportunity to do what it wants instead of what it must³³.

Threat perception attached to the rise of China has also been questioned by Samuel S. Kim, Lyric Hughes and David Hale who, among others, have asserted that China is an incomplete power, highlighting the contradictions within the reform process being carried

³³ Ibid 33, p 70.

out in China and the hiatus between the role she plays and role that is expected to be played by a super power³⁴.

The Chinese perspective regarding the idea of the rise of China has usually taken the form of refuting the threat theory, which has been forwarded time and again by the West and the neighbouring countries of China. The Chinese perspective has been divided into three substantial segments³⁵ in Herbert Yee and Ian Storey's work in the following manner: the official position, views of the Chinese academia and position taken up by the general populace. Such a categorization has been adopted by the authors after a careful reading of the White Papers published by the government, speeches delivered/interviews given by ministers etc. They have also consulted the published works of the Chinese academia along with non-fictional works published in the PRC during the 1990s. The official position refuting the threat theory has been derived from the articles printed in the People's Daily (the mouthpiece of the Communist Party of China), speeches/interviews delivered by Chinese leaders and diplomats and the White Papers published by the government. Their line of argument emphasizes upon China's independent and peaceful foreign policy labeling the threat perception forwarded by the West as a myth, which has been deliberately created to contain the modernization process of China. This body of literature also establishes the relation between China's drive towards modernization and development with the maintenance of international peace and stability (especially along her borders) thereby underlining the fact that China would never disturb regional or international peace and stability. One of the most significant claims made by this

³⁴ Samuel S. Kim, "China As A Great Power" in *Current History*, Vol 96, No. 611, pp. 246-251; David Hale and Lyric Hughes Hale, "China Takes Off" in *Foreign Affairs*, 2003, Vol 82, No. 6, pp. 36-53.

³⁵ Herbert Yee and Ian Storey (eds.), *The China Threat: Perceptions, Myths and Reality*, Routledge, London, 2002

approach is that China's military posture is defensive as an assurance to the neighbouring countries in particular.

The view of the Chinese academia has been a repetition of the official stand with some original arguments forwarded by scholars like He Xin or Yang Guangbin, for instance. Xin has traced the origins of the threat theory to the rise of commercialism in China. He argues that modern capitalism stems from commercialism, which in turn is the result of international trade. PRC has been pursuing an open door policy since 1978 which has elevated China to the podium of a significant international trader in the world giving birth to apprehensions in the West founded on the threat of an increasing capture of international markets by China. Yang Guangbin on the other hand has traced the roots of the threat perception to the western theories of International Relations deeply embedded in the tradition of realism, wherein the revisionist tendencies of China has been highlighted and popularized³⁶. The stand of the Chinese populace has been largely emotional to the extent that some bestsellers of the 1990s had strongly anti American undercurrents and even went to the extent of suggesting the government to move beyond verbal rebuttals against the threat theory³⁷.

But why has 'rise of China' generated or is still generating such a great amount of scholarship? A number of 'concerns' would emerge out if one studies the trajectory of Chinese politics since the end of the Cold War, because it was only after Cold War came to an end and prospects of a multipolar world order began ascending, that 'rise of China' started creating ripples across the world. The question therefore is, why?

³⁶ n 10, p 25

³⁷ Publications like *Behind the Demonisation of China* published in 1996, edited by Li Xiguang and Liukang et. al, Beijing: Zhongguo Shehui Kexue Chubanshe.

China's rise has been the direct outcome of the major shifts in policy which were undertaken in 1978 by the leadership of the country. The road which China has travelled since 1978 was chiefly charted out by the discredited leader of the Cultural Revolution era, Deng Xiaoping. The road marked out by him for China stood on the four pillars of modernization and they were: agriculture, industry, science and technology and military capability. China's rise has been perceived, analyzed and questioned from various quarters, both by the scholars of social science and policy makers. A discussion on the different perspectives must follow answering a very basic question: why had/is 'rise of China' generated/still generating such a great amount of scholarship? A number of 'concerns' would emerge out if one studies the trajectory of Chinese politics since the end of the Cold War, because it was only after the Cold War came to an end with prospects of a multipolar world order ascending, that 'rise of China' started creating ripples across the world. Some such reasons are: China's lopsided reform process which liberalized the economy but not the polity; China's anti-hegemonic posturing reflecting her reluctance in accepting the international democratic norms forwarded by the West; the staggering growth figures indicating her steady rise and so on and so forth.

Research Questions:

Having discussed some of the significant works of recent times on the rise of India and China, it becomes evident that these works perceive the rising Asian powers through the prism of shifting nature of foreign and domestic policies, changing international milieu and their possible consequences on the power position of these countries. The trajectory of an aspiring superpower can never be studied in isolation. The very ascend of a country in the international order has to be juxtaposed against the international scenario

in order to highlight the change that is underway. The works which have been discussed in the previous section have largely chosen to analyze the rise of India and China by juxtaposing them against the international milieu. Their rise of potential superpowers can also be measured / analyzed by taking into account the level and nature of influence they have been able to muster on the other world countries of Asia and Africa. Although there is a lot of scholarship on Sino Indian comparative studies in the field of foreign policy, domestic policies, society, culture etc., there is some gap when it comes to studying their emergence by analyzing their engagement policies in specific areas. This dissertation thus makes an endeavor to map the trajectory of China and India's rise in the post cold war era by carefully analyzing the underlying dynamics of their engagement in specific theatres of global politics. Its aim is to study and contrast their rise by capturing the interface of their policies in Southeast Asia, Africa and Central Asia. The exercise of juxtaposition consequently happens at two levels: against each other and against the particular theater in question. It will not only bring to the fore the basic contours of their engagement policies but also throw some light on how the rising powers want them to be perceived by the others.

This project thus would try and answer the following research questions in the forthcoming chapters:

1. In terms of dimensions, what is the scope of Sino Indian engagement in the select theaters? Is it uni-dimensional or multidimensional?
2. In terms of nature, is there a perceivable variation in each of the three theatres? If so, how does one explain it in each case?

3. What is the future of Sino-Indian engagement in these theaters? Will it be competitive or cooperative?

The dissertation will answer these questions in the successive theaters after having established the relative power position of India and China in the next chapter. Chapters three, four and five will individually take up each of the theaters of Southeast Asia, Africa and Central Asia followed by the final concluding chapter comprising of the general observations and findings.

Chapterization:

The dissertation comprises of four substantial chapters other than the introductory chapter which sets the ground of enquiry and the concluding chapter which attempts to answer the research questions raised initially. The second chapter begins with the exercise of ascertaining the relative power position of India and China by measuring their capabilities using certain hard and soft indicators of power. Since the basic premise of this dissertation rests within the bounds of structural realism, it is absolutely essential to determine the relative power positions of India and China before studying their rise during the post cold war era. Having determined the relative power position of the countries, the dissertation takes up the exercise of mapping the rise of the Asian powers by studying their engagement in South East Asia, Africa and Central Asia respectively. Each of these chapters begins by establishing the rationale behind its selection thereby setting the ground for study. Their engagement policy in the political, economic and defense sectors is thereafter studied in each of the theaters followed by a conclusion which answers the research questions that have been raised earlier.

Methodology:

A qualitative research method has been adopted to carry out the present research. Since the aim of this work has been to study the rise of India and China during the post cold war era by looking at their engagement policies in three different theaters of global politics, I have followed the process of text analysis. In order to explain the basic contours and the underlying dynamics of Sino Indian engagement in each of the theaters, it has been studied separately under the categories of politics, economics and defense. While separately dealing with the engagement policies of India and China under each category, primary data like speeches, declarations, memorandums, treaties, agreements, interviews, trade data etc. were collected and analyzed carefully. The primary data was thereafter suitably supplemented with available secondary readings.

Conclusion:

With the end of cold war India and China began reorienting their foreign policies owing to the altered nature of the world order. Whatever ideological baggage they had been carrying during the cold war years were abandoned in 1990-91 and 1978 respectively. These two countries began perceiving the altered scenario as an opportunity to consolidate their stake in world affairs. China, which had already opened its doors to the outside world under the leadership of Deng Xiao Ping (1978) came to be compared quite inevitably with her Asian neighbor India which had officially adopted a neoliberal economy after the end of cold war. The present dissertation thus attempts to map the rise of India and China during the post cold war period by analyzing their engagement in select theaters of world politics.

Chapter 2

India and China during the Post Cold War Era: Ascertaining Relative Power Position

This chapter endeavors to establish the relative power position between India and China during the post cold war era. The dissertation argues that, it is the relative power position of India and China which determines the contours of their engagement with each other in select theaters of world politics. Selection of a particular time period is decidedly essential to conduct any study concerning social realities, for it is the time period which makes the discussion of a particular issue pertinent. Any event or phenomenon is imprinted by the time period it belongs to. Every historical time frame is characterized with an overarching peculiarity of its own, and this peculiarity can be traced if the incidents which fall within that particular time frame are taken up for careful observation. Distinctive boundaries between two consecutive time periods/eras are generally drawn with the occurrence of a significant event, which affects the course of events thereafter. For example, as the Second World War came to an end, the victorious countries took up the task of engineering the international financial organizations, the global rights regime to name a few thus changing ensuing times for ever. Historically, the period after the end of the Second World War is regarded as the era of Cold war. All the events during this period can be viewed through the binary of bipolar politics – capitalist and socialist camps. Be it the Korean War, the German question, the Vietnam War or for that matter the arms race – ideological rivalry is strongly imprinted upon all these events. Cold war ended with the demise of the Soviet Union. The seminal event left the world order with

one pole, the USA. Polarity, as a concept received renewed impetus with the end of the Cold War. The collapse of Soviet Union which led to the end of cold war had left the academicians and the policy makers around the world groping for a definitive term which would be able to capture the exact mood of the period. To a certain extent, the rationale behind some of organizations, alliances and policies of the cold war era lost its relevance. The robust policy of containment; alliances like the Warsaw Pact, NATO; organizations like the NAM were left groping for a new rationale. Policies are formulated, organizations are formed and alliances are created taking into consideration the distribution of power in a particular period. Polarity of a particular era is determined on the basis of power distribution in the international arena. During the Cold War power was so distributed after 1945, that the world came to revolve around the existence of two opposite poles, the superpowers of the era – the USA and the USSR. As the Cold War came to an end, power distribution ceased to remain simple. The confusion which therefore ensued regarding the nature of power distribution led to a debate about polarity. Scholars of international relations tried to speculate the future world order by deciphering the existing distribution of power among the major players of the post Cold War era. The literature which emerged thereafter on the future world order can be grouped under several parameters, polarity being one of them. It would not be possible for us to have a look on all of it. Some such ideas have been taken up for analysis.

CHARACTERISING THE POST COLD WAR ERA

Before taking up the discussion on post cold war polarity, it becomes imperative to leaf through the opinions expressed by the dominant schools of international relations on the probable world order. According to the liberal school of thought the victory of liberal democratic principles¹ marked the end of all conflicts. The realists on the other hand expressed the contrary by highlighting that, the world had become unstable owing to the end of bipolar politics². A common thread which runs through most of the works focusing on the question of post Cold War polarity is their anchorage to the premises of US foreign policy. A careful study of both the categories (unipolar and multipolar) of scholarship would reveal that the basic enquiry of each work is hooked to the future course of US foreign policy. To quote one of the eminent proponents of unipolarity in the post Cold War era, Charles Krauthammer:

Ever since it became clear that an exhausted Soviet Union was calling off the Cold War, the quest has been on for a new American role in the world. Roles, however are not invented in the abstract; they are a response to a perceived world structure. Accordingly, thinking about post Cold War American foreign policy has been framed by several conventionally accepted assumptions about the shape of the post Cold War environment³.

¹ Best expressed in the works of Francis Fukuyama. *The End of History?* in National Interest, 1989.

² One of the eminent realists was John Mearsheimer who had opined that Cold War history has been misread and the new found optimism in USA stands on such an erroneous reading of the history. The world has come near to new possibilities of conflicts as insurance like that of the balance of power no more exists. (See John Mearsheimer, Back to the Future: Instability in Europe after the Cold War, *International Security*, 1990). Another realist who had dwelled upon a similar kind of pessimism was Robert Kaplan, who in his seminal work, *The Coming Anarchy* published in the Atlantic Monthly (1994) foresaw a return to the Hobessian state of nature in the post Cold War era where most of the conflicts would take place on availability of resources. Samuel P. Huntington shot to fame with his original exposition about the nature of conflicts in the post Cold War era in his outstanding work, *The Clash of Civilizations?* published in the Foreign Affairs (Volume 72, Number 3, 1993), where he had forecast that the future conflicts in the world would take place on the dominant civilisational fault lines.

³ Charles Krauthammer, The Unipolar Moment, *Foreign Affair*, 1990/91, Vol. 70, No. 1, pp. 23-33.

The believers of multipolarity also premised their works on the reorientation of US foreign policy. The reason probably lay in the victory of the politico-economic model upheld by the US, with the demise of the Soviet Union. To quote Joseph S. Nye (Jr):

...the United States will need power to influence others in regard to both transnational and traditional concerns. If the old world order has collapsed, what will be the new distribution of power?⁴

It would be appropriate to start our discussion on the various ideas expressed about post cold war polarity with the unipolar school of thought. One of the most outstanding contributions was made by a syndicated columnist, Charles Krauthammer. He had forwarded in candid terms that certain conceptions about the post Cold War world order was basically flawed on three major counts. The assumptions like the world is moving/has moved towards multipolarity with new centers of power emerging like 'Japan, Germany, (and/or "Europe"), China and a diminished Soviet Union/Russia'; that the domestic American consensus for an internationalist foreign policy, radically weakened by the experience in Vietnam, that the threat of war has got drastically reduced in the new post Soviet strategic environment were all flawed⁵. Repudiating the notion of multipolarity, Krauthammer argued that the most 'striking feature' of the post Cold War world was unipolarity with the USA acquiring a position of unquestionable dominance. About the emergence of the new centers of power he defied the conventional wisdom that economic power would translate to political and military power and that it alone determines the position of a country in the hierarchical structure of power. Substantiating his case by citing the example of the Gulf Wars, Krauthammer put forward that, the

⁴Joseph S. Nye (Jr), "What New World Order?", *Foreign Affairs*, Vol. 71, No. 2, 1992, pp. 83-96.

⁵n 3, p 79.

geopolitical structure of the post Cold War has brought into sharp focus with the Gulf War. The structure which emerged showed USA at the apex of the industrial West, as the single most powerful player, and thereby he moved on to repudiate the second misconception by stating it in clear terms that the US foreign policy would become largely isolationist in nature. Contradicting the third notion of a reduction in the possibilities of war, Krauthammer made just the contrary assertion citing the threat that weapons of mass destruction hold for mankind and the rise of intolerant aggressive nationalism in the disintegrating communist bloc countries. To quote him:

There might be better tactics, but the overall strategy is clear. With the rise of the Weapon State, there is no alternative to confronting, deterring and, if necessary disarming states that brandish and use weapons of mass destruction. And there is no one to do that but the United States, backed by as many allies as will join the endeavor...the alternative to unipolarity is chaos⁶.

The very idea of a post Cold War chaos on the other hand was branded as a ‘myth’ by G. John Ikenberry, thereby advancing a strong case supporting the victory and sustainability of the ‘western industrial democracy’ led by the US over and above the totalitarian socialist model upheld by the erstwhile USSR⁷. According to Ikenberry, what ended with the Cold War was bipolarity, the nuclear stalemate, the decades of containment of the Soviet Union-seemingly the most dramatic and consequential features of the post war era. With the end of the cold war however did not wash away the peculiarities of the post second world war international politics. According to him, they were rather operating with a renewed vigor. The end of the cold war has reinforced the liberal democratic

⁶ n 3, p 90.

⁷ G. John Ikenberry, “The Myth of Post Cold War Chaos”, *Foreign Affairs*, Vol. 75, No. 3, 1996, pp. 79-91.

order. It has been put in clear terms that, the western liberal democratic world is robust, and its principles and policies remain at the core of the present world order. 'The challenges to liberal 'multilateralism', both from within and outside the west have mainly disappeared. Ikenberry has singled out forces of business and financial integration to be the prime movers behind a tightly integrated global system which ignores regional as well as national borders. He substantiated his case by citing the example of the successful completion of the Uruguay Round of January 1, 1995 testifying the vigor of liberal principles which had come into force immediately after 1945 under US guidance. Hence, both Krauthammer and Ikenberry had advocated the preponderance of unipolar order in the post Cold War era by attributing unquestionable supremacy to the United States. While Krauthammer made his point mainly from the premise of the US foreign policy makers, using the example of the Gulf War and post Cold War security concerns, Ikenberry on the other hand has successfully drawn a continuum of the politico economic system which had come to the fore after the Second World War, to the present times. Ikenberry thereby proved the continued dominance of the western liberal democratic values with USA at the helm of affairs as the overarching characteristic of the post Cold War world order.

Any discussion on the vast literature which emerged during the post Cold War era advocating the prevalence of multipolarity as the guiding principle of the international order requires an understanding of the criticism which was forwarded by Joseph S. Nye (Jr.). According to Charles Krauthammer, end of the Cold War had left the world with one pole, the United States with an unquestionable position of dominance, as the supremely powerful country. Nye, having agreed to the premise, that the end of the Cold

War had left the world with one superpower, he disagreed with Krauthammer on the character of US, which according to his thesis on unipolarity is that of ‘unquestionable position of dominance’ or of a hegemonic nature⁸. Nye was of the opinion that, the distribution of power which determines the polarity of the world order has become like ‘layered cake’. While the top military layer is largely unipolar for there is no other military power comparable to the United States; the economic middle layer is tripolar and the bottom layer of transnational interdependence shows a diffusion of power⁹. US hegemony is being challenged by the volley of transnational forces which have emerged after the end of the Cold War. He makes his case for a liberal world order, premising his argument on the multidimensionality of power. This again leads to the fact that the complex structures which have emerged makes the traditional military balance of power inadequate as a mechanism. It is the permeability of the national boundaries and the evolution of transnational forces that makes multipolarity as an acceptable alternative. John J. Mearsheimer in his exposition of the American foreign policy in the post Cold War era has pointed out a significant trait in the same which he calls “passing the buck strategy”¹⁰. The central aim of the US foreign policy, according to Mearsheimer has traditionally been to dominate regions like Europe or North East Asia, where the US never wanted a peer competitor. He quotes an important Pentagon planning document of 1992 in his article which clearly states that, the first and foremost objective of the US would be to prevent the reemergence of a new rival which would pose a threat of similar dimensions like that of the erstwhile USSR. The document states that, US foreign policy

⁸ n 4, p 87.

⁹ Ibid, p 88.

¹⁰ John H. Mearsheimer, “The Future of the American Pacifier”, *Foreign Affairs*, Vol. 80, No. 5, 2001, pp. 46-61.

would prioritize on the emergence of any ‘potential future global competitor’ and would thereby preclude it¹¹. To attain the goal stated in the document, the United States has behaved as an offshore balancer, committing troops to Europe and North East Asia, which according to Mearsheimer happened whenever there were a potential hegemon in those neighborhoods that the local powers could not contain by themselves. Such a realist strategy followed by the US calls for reevaluation in the post Cold War world order which is moving towards multipolarity owing to the rise of certain countries to the podium of power. According to him, five European states (The United Kingdom, France, Germany, Italy and Russia) have sufficient wealth and population to qualify as potential great powers, whereas among the North East Asian states it is China and Japan. Focusing on North East Asia and particularly the ascendance of China to the position of a regional hegemon in the article, Mearsheimer warns the US foreign policy against putting up a different set of justifications for maintaining troops abroad. What is of paramount importance in Mearsheimer’s exposition is that, he calls for a reevaluation and reconsideration of the US foreign policy owing to the rise of a number of potential powerhouses in some of the regions of the world. While most of the literature emerging on the issue of polarity anchors themselves to the premise of the future course that US foreign policy would traverse, Mearsheimer does just the opposite. He makes his case about US foreign policy by impinging on the question of post Cold War polarity. In a similar tone, Richard Bernstein and Ross H. Munro have opined that the greatest challenge US would face in the near future would come from China, the ‘rising hegemon of Asia’, contrary to the expectations of that group of US foreign policy elites who still

¹¹ n 10, p 46.

bask in the glory of the 1972 Shanghai communiqué¹². That China is bound to become a non-ideological, pragmatic, materialistic and progressively freer in its culture and politics, is nothing but wishful thinking on part of the US, because China has undertaken a journey which is just partially true to the west's imagination. The observation is pertinent to our discussion on multipolarity since, it underlines the gravity of the rise of countries like China in Asia.

Kishore Mahbubani had put in candid terms that the western thinkers were having considerable difficulty finding the right paradigm to describe a world where non-Western powers were emerging¹³. The area which would attract all attention in coming years according to Mahbubani was East Asia which was evolving with a fast pace. Rise of East Asia, as the new seat of power stemmed from the fusion of Western and East Asian cultures in the region, and this according to him was the factor responsible for peace and stability in the region. Similar assertions were made by Daniel W. Drezner in an article published in the *Foreign Affairs* that, the emergence of political and economic heavyweights like India and the people's Republic of China in the post Cold War era marked a fundamental shift in nature¹⁴. Therefore a necessity has arisen on the part of the US that they be incorporated with the global regimes which are a making of the post Second World War conditions. Such incorporation according to Drezner would naturally result in a loss of certain powers and privileges by some countries that seem to be trailing far behind China and India in terms of power. Therefore US efforts of reforming certain

¹² Richard Bernstein and Ross H. Munro, "The Coming Conflict With America", *Foreign Affairs*, Vol. 76, No. 2, 1997, pp. 18-31.

¹³ Kishore Mahbubani, "The Pacific Way", *Foreign Affairs*, Vol. 74, No. 1, 1995, pp. 100-111.

¹⁴ Daniel W. Drezner, "The New World Order", *Foreign Affairs*, Vol. 86, No. 2, 2007, pp. 34-46.

global institutions would face resistance from the above mentioned quarters, since power is after all a zero sum game. To quote Drezner,

...those prospective losers can be expected to stall or sabotage attempts at reform...having been endowed with privileged positions in many key post war institutions, European countries stand to lose the most in a redistribution of power favoring countries on the Pacific Rim...developing countries in the periphery of the global economy can be expected to back Europe in resisting US led reform efforts: they do not want to lose what little influence they have in multilateral institutions¹⁵.

Such an observation by Drezner again reinforces the emergence of countries like China and India as potential superpowers, underlining multipolarity. James F. Hoge (Jr.) had put forth that, the translation of economic power to military and political power had increased the potency of the emerging Asian countries to such an extent that the chances of stability have become precarious¹⁶. Prospects of a stable Asian continent had according to Hoge diminished because of the long standing disputed areas which dot the continent, like Kashmir, the unresolved Sino Indian border, Taiwan, North Korea and her nuclear ambitions etc. Therefore Hoge contends that to arrest such an instability caused by the global shift in power, US needs to play an assertive role in the Asia Pacific, thereby reinforcing the nature of a multipolar world order. Treading along a similar path, Steven Radelet and Jeffrey Sachs have opined that, a tidal shift had come by with the end of the Cold War¹⁷. Asia's reemergence is the biggest event to have taken place. According to them the rise of certain countries in Asia was purely economic in nature.

¹⁵ n 14, pp 44-45.

¹⁶James F. Hoge (Jr.), "A Global Power Shift in the Making? Is the United States Ready?", *Foreign Affairs*, Vol. 83, No. 4, 2004, pp. 2-7.

¹⁷ Steven Radelet and Jeffrey Sachs, "Asia's Reemergence", *Foreign Affairs*, Vol. 76, No. 6, 1997, pp. 44-59.

Though such reemergence would have a great role to play in the structures and their respective roles in the post Cold War era, they are flawed on certain counts. They pointed out the hollow nature of the rising East Asian economies mainly drawing inspiration from the Krugman Doctrine¹⁸. Rise of the Asian countries are problematic according to them, because of the governance related challenges they face.

Multipolarity, according to Paola Subacchi captures the complexity of the new world and provides the accurate description of the pattern in which economic power is distributed among players¹⁹. Economic power, she adds has become increasingly diffused and has got distributed among both the state and non-state actors-which have become exceedingly significant as components of the post Cold War world order. She has used terms like ‘power centers’ and ‘power brokers’ to denote states and non-state actors as the two important players that define the post Cold war structure. Countries like China, India, Brazil and Russia are according to Subacchi the new power centers, not only because of the sheer size of their respective economies, but also because of their huge potential for strong growth and capital accumulation, which in turn wheels them to such a power position that they can influence international relations to a substantial degree. Among other characteristics, these new power centers have a wide range of military and political resources, some capacity for state action and more over a belief in their entitlement to a more influential role in world affairs. On the other hand, by ‘power brokers’ she focuses on the NGOs, MNCs and investment funds that transcend formal

¹⁸ Paul Krugman’s critique of East Asia’s rapid growth said that it was unimpressive and even suspected it of being inflated because of its reliance on heavy investment spending rather than productivity growth. He riled Asian policy makers by noting that rapid Soviet growth had been similarly based on heavy investment spending. The implication was that East Asian growth was fragile and therefore likely to founder.

¹⁹ Paola Subacchi, “New Power Centers and New Power Brokers: Are they Shaping a New Economic Order?”, *International Affairs*, Vol. 84, No. 3, 2008, pp. 485-497.

interstate relations. She agrees largely with Joseph Nye's idea of 'transnational relations', which according to both of them have played an instrumental role in changing the global economic order. These players hold a considerable amount of capital to engage other actors.

What emerges from the above discussion on the post Cold War world order is that, a near consensus was reached on the emergence of a number of poles along with the old centers of power, which added to the complexity of the global structure. Hence, multipolarity had become the overarching feature of the post Cold War era which ascribed importance to countries like China and India. Asia had received renewed importance in the post cold war era both from the quarters of scholars on International Relations and policy makers. The beginning of the twenty first century undoubtedly finds both India and China situated in a fairly complex environment – externally and internally. The end of cold war entailed a multipolar international order which had opened new vistas of opportunities for both the countries. Certain commonalities between China and India in terms of their experiences make their comparison a pertinent one. Both are significant civilizations. Historical evidence speaks volumes about the respective radius of influence and sway over neighboring regions. Later, both the countries found themselves stooped by foreign powers; while India was colonized by the British, China was not directly colonized nonetheless China bore the brunt of colonial exploitation. The emergence of decolonized independent India on the one hand and that of liberated socialist China on the other can also be treated as a factor which makes a comparative study between the two worthwhile. The basic character of both the countries made their nation building experiences similar in certain aspects. Both the countries confronted

similar kinds of obstacles. With the end of the cold war both the countries once again embarked on a path of pragmatic foreign policy initiatives which had a strong economic orientation and was bereft of any normative consideration. Upon close study therefore, it emerges that, a comparative study between India and China is embedded in the commonalities of their experiences, aspirations and objectives in the post cold war era. Selection of the People's Republic of China and India for a comparative study over the way they engage themselves in various quarters in the post Cold War era, therefore becomes relevant. The other factor which makes the study of Sino Indian engagement relevant in the post cold war period is the inherent competitive nature of their relations vis-à-vis each other. The main determinant behind the inherent competitive streak behind Sino Indian engagement in various theaters has been their troubled bilateral relations. What makes their relations with each other competitive is also the convergence of necessity, for example, both India and China are hard pressed for alternative reserves of energy in order to feed their machinery of development. It is here that areas like Southeast Asia, Africa and Central Asia become exceedingly pertinent as theaters. Resource based and resource driven foreign policy have been one of the most significant trends of both Chinese and Indian foreign policy since the end of the cold war. Providing leadership to the third world nations also happen to be an important area of interest convergence in Indian and Chinese foreign policies. In order to secure the above, both China and India have been trying to influence in areas like South and Southeast Asia, Central Asia, Africa etc. before undertaking to determine and analyze the contours of Sino Indian engagement in the chosen theaters we ought to ascertain their relative power positions.

Comparison between India and China in terms of ‘power’

A discussion on Sino Indian bilateral engagement should follow a detailed analysis of the respective positions which China and India occupy in the international political structure. Only when their positions in the structure are located would their interactions with each other gain a rationale. Premising the analysis on Waltzian neo-realism, it can be argued that international polity is anarchical. In order to provide a detailed exposition of the international political structure, Kenneth Waltz had begun by drawing a contrast between the international and the domestic political structure. He had defined the domestic political structure with three distinctive hues and had then set them against those of the international realm in order to establish that, the nature of international polity is anarchical²⁰. The first defining characteristic of the domestic political structure, according to Waltz is the ordering principle; the second is differentiation of the units and the specification of their functions while the third and the last feature is that of distribution of capabilities across the units. While discussing the ordering principle, Waltz states that the two stand in stark contrast to one another; while the domestic political structure works on the tracks of superior and subordinate relationship, the international political structure works on the tracks of coordination. In such a situation, none is entitled to command and none is entitled to obey which ultimately leads to an atmosphere of decentralization and therefore anarchy. On the other hand the domestic political structures have offices and governmental institutions from where decisions flow to the receivers. Therefore the structure of international polity is anarchic in nature or the order which sustains the same is nothing but anarchy, which according to Waltz is

²⁰ Kenneth N.Waltz, *Theory of International Politics*, Addison-Wesley, 1979, p 88.

problematic. He addresses the problem by drawing an analogy between the international polity and a market, whereby he proves that the units in a market and their interaction with each other gives rise to the market itself and the market in turn constrains and constructs the interaction of the units. This according to Waltz is also the case of international polity. The units of international polity (the states) interact with each other and give rise to an anarchic order and that order in turn constrains and constructs the interactions between the units. The units in a domestic political structure function on the basis of hierarchy, implying that there lies a difference among their functions. On the other hand, in the international political structure, the ordering principle being anarchy, there is a formal sameness in the functions the units perform. The last defining feature which highlights the capability factor, qualifies the second feature in a decisive manner. The units of the hierarchical system (domestic political structure) are related to each other in such ways that are determined by their functional differentiation and by the extent of their capabilities, while in an anarchic system (international political structure), since the units function in an undifferentiated manner, the relative capabilities underline the tasks they perform²¹. To quote Waltz, “states are differentially placed by their powers”²² and power distribution among the units is an attribute of the system itself. Therefore analyzing on neorealist lines it might be inferred that, an assessment of the respective power positions of any country is vital behind the way that country interacts with any other.

²¹ n 20, p 97.

²² Ibid.

National power is considered to be a very significant characteristic of a nation and it is the composite power of a country which determines the role that the country might play in world politics. Power can be defined as the ability of making another actor do, which the actor would not have otherwise done. There are certain aspects of power which makes it an interesting subject of study. There is a power aspect in every relationship and therefore national power and its assessment in international relations is very crucial and decisive. Mere possession of resources does not make a state powerful; the state is powerful only when the resources are used in the right manner²³. Organski had formulated an index to assess national power where he had divided the determinants into two broad halves; one being the natural determinants including factors like geographical indicators, resources the country in question possess and the population and the second half clubbed together economic development, political development and national morale under the banner of social indicators²⁴. Organski had asserted, that a power index should ideally include all the six determinants mentioned above, but for practical reasons it might be reduced to the most important ones since, each determinant is related to the other. Kenneth Waltz has attached importance to the total score a country attains, when a number of determinants are considered in the study of national power. He adds that:

Their ranks depend on how they score on a combination of the following items: size of population and territory, resource endowment, economic capability, military strength, political stability and competence²⁵.

²³ A.F.K. Organski, *World Politics*, Alfred A. Knopf, New York, 1958, p 106.

²⁴ Ibid, p 124.

²⁵ Kenneth N. Waltz, "The Emerging Structure of International Politics", *International Security*, Vol 18, No. 2, p 50.

A well balanced index combining both the hard and soft dimensions of power was formulated by Waltz to assess the national power of any country. A similar power index has also employed by Devin T. Hagerty while analyzing India's stature as a rising power and comparing her stature with that of China and the US. Drawing primarily from the works of Kenneth W. Waltz, Hagerty has also formulated his power index taking into account determinants like resource endowment, economic capability, military strength, political stability and competence²⁶.

The power index which would be used in this dissertation has been largely drawn from the one which has been employed by Devin T. Hagerty in assessing the respective power positions of India, China and the US. The index which would be put to test would take into account both the hard and soft indicators of power: hard indicators of power would include parameters like territory, population, Gross Domestic Product (GDP) calculated in Purchase Power Parity (PPP) terms, rate of annual growth, annual electricity consumption, and annual defense expenditure; and the soft indicators of power on the other hand would include: infant mortality rate, life expectancy at birth and governance indicators. Parameters like territory, population, GDP, annual growth rate, annual electricity consumption, annual defense expenditure, infant mortality rate, life expectancy at birth have been sourced from the Annual CIA World Fact books published from the Central Intelligence Agency (USA), while the parameter of governance indicators have been sourced from the World Bank's database. Governance indicators which would be used as a parameter over here is an average of the following sub parameters like voice and accountability, political stability, government effectiveness, regulatory quality, rule

²⁶ Harsh V. Pant(ed.), *Indian Foreign Policy in a Unipolar World*, Routledge, New Delhi, 2009, p 30.

of law and control of corruption. Both India and China would be assessed on the above mentioned counts for a period of thirteen years (1995-2008).

Following tables have been chalked out for assessing national power of both India and China.

Table: 2.1 ASSESSMENT OF NATIONAL POWER OF CHINA AND INDIA
USING HARD INDICATORS OF POWER²⁷

Years	Territory	Population	Gross Domestic Product (PPP)	Annual Growth Rate	Electricity Production	Annual Defense Expenditure
1995 China	9,596,960 sq. km.	1,203,097,268	\$2.9788 trillion	11.8%	746 billion kwh	63.09 billion Yuan
	3,287,590 sq. km.	9,365,458,14	\$1.2539 trillion	5%	314 billion kwh	\$7.8 billion
1996 China	9,596,960 sq. km.	1,210,004,956	\$3.5 trillion	10.3%	746 billion kwh	70.2 billion Yuan
	3,287,590 sq. km	9,521,076,94	\$1.4087 trillion	5.5%	314 billion kwh	\$8.0 billion
1997 China	9,596,960 sq. km.	1,221,591,778	\$3.39 trillion	9.7%	859 billion kwh	70.2 billion Yuan

²⁷ The statistical information which have been used in the table have been sourced from the CIA Factbooks (1995-2008), downloaded from the following website: <http://www.gutenberg.org> accessed on 01/09/09 between 6:30 p.m. to 7:30 p.m. *Blue font represents India.*

India	3,287,590 sq. km.	9,667,831,71	\$1.538 trillion	6.5%	380 billion kwh	\$8.0 billion
1998 China	9,596,960 sq. km	1,236,914,658	\$4.25 trillion	8.8%	1.135 trillion kwh	91 billion Yuan
1998 India	3,287,590 sq. km	9,840,036,83	\$1.534 trillion	5%	398.28 billion kwh	\$8.0 billion
1999 China	9,596,960 sq. km.	1,246,871,951	\$4.42 trillion	7.8%	1.16 trillion kwh	\$12.608 billion
	3,287,590 sq. km	1,000,848,550	\$1.689 trillion	5.4%	404.475 billion kwh	\$10.012 billion
2000 China	9,596,960 sq. km.	1,261,832,482	\$4.8 trillion	7%	1.16 trillion kwh	\$12.608 billion
	3,287,590 sq. km	1,014,003,87	\$1.805 trillion	5.5%	448.6 billion kwh	\$10.055 billion
2001 China	9,596,960 sq. km.	1,273,111,290	\$4.5 trillion	8%	1.173 trillion kwh	\$12.608 billion
	3,287,590 sq. km	1,029,991,145	\$2.2 trillion	6%	454.561 billion kwh	\$13.02 billion
2002 China	9,596,960 sq. km.	1,284,303,705	\$5.56 trillion	7.3%	1.308 trillion kwh	\$20.048 billion
	3,287,590 sq. km	1,045,845,226	\$2.5 trillion	5%	547.12 billion kwh	\$12.079 billion
2003	9,596,960	1,286,975,468	\$5.989	8%	1.42 trillion	\$55.91

China	sq. km.		trillion		kwh	billion
	3,287,590	1,049,700,118	\$2.664	4.3%	533.3	\$11.52
India	sq. km		trillion		billion kwh	billion
2004	9,596,960	1,298,847,624	\$6.449	9.1%	1.42 trillion	\$60 billion
China	sq. km.		trillion		kwh	
2004	3,287,590	1,065,070,607	\$3.033	8.3%	533.3	\$14,018.8
India	sq. km		trillion		billion kwh	million
2005	9,596,960	1,306,313,812	\$7.262	9.1%	1.91 trillion	\$67.49
China	sq. km.		trillion		kwh	billion
India	3,287,590	1,080,264,388	\$3.319	6.2%	547.2	\$18.86
	sq. km		trillion		billion kwh	billion
2006	9,596,960	1,313,973,713	\$8.883	10.2%	2.19 trillion	\$81.48
China	sq. km.		trillion		kwh	billion
India	3,287,590	1,095,351,995	\$3.666	8.4%	556.8	\$19.04
	sq. km		trillion		billion kwh	billion
2007	9,596,960	1,313,973,713	\$10	10.5%	2.5 trillion	\$81.48
China	sq. km.		trillion		kwh	billion
India	3,287,590	1,095,351,995	\$4.042	8.5%	630.6	\$19.04
	sq. km		trillion		billion kwh	billion
2008	9,596,960	1,330,044,544	\$7.099	11.9%	3.256	\$38.19
China	sq. km.		trillion		trillion kwh	billion
India	3,287,590	1,147,995,904	\$2.966	9%	665.3	\$20.17
	sq. km		trillion		billion kwh	billion

Table: 2.2 ASSESSMENT OF NATIONAL POWER OF CHINA AND INDIA
USING SOFT INDICATORS OF POWER²⁸

Years	Life Expectancy At Birth	Infant Mortality Rate (per 1000 live births)	Governance Indicators (<i>political stability</i>)	Governance Indicators (<i>rule of law</i>)
1995 CHINA	68.08	52.1	5.7	48.0
1995 INDIA	59.04	76.3	52.6	60.0
1996 CHINA	69.62	39.6	5.4	48.6
1996 INDIA	59.71	71.1	52.8	62.4
1997 CHINA	69.98	37.9	5.2	41.0
1997 INDIA	62.41	65.5	52.7	60.0
1998 CHINA	69.59	45.46	9.6	41.4
1998 INDIA	62.9	63.14	58.2	60.5
1999 CHINA	69.92	43.31	9.5	38.0
1999 INDIA	63.4	60.81	58.0	57.0
2000 CHINA	71.38	28.92	12.5	39.0
2000 INDIA	62.5	64.9	57.7	58.6

²⁸ The statistical information which have been used in the table (Infant Mortality Rate and Life Expectancy at Birth have been sourced from the CIA Factbooks (1995-2008), downloaded from the following website: <<http://www.gutenberg.org>> accessed on 01/09/09 between 6:30 p.m. to 7:30 p.m. ; The Governance Indicators have been sourced from the World Bank Database titled *Governance Matters VIII: Governance Indicators for (1995-2008)*, downloaded from the following website: http://info.worldbank.org/governance/wgi/sc_chart.asp , accessed on 08/09/09 between 2:30 p.m. to 3:00 p.m., p.m. Blue font represents India. In case of the governance indicators the higher the country ranks, the better are its results, for example 0-25 represents the worst possible scenario.

Years	Life Expectancy At Birth	Infant Mortality Rate (per 1000 live births)	Governance Indicators (political stability)	Governance Indicators (rule of law)
2001 CHINA	71.62	28.08	12.4	44.0
2001 INDIA	62.86	63.19	52.5	55.0
2002 CHINA	73.86	27.25	6.3	44.3
2002 INDIA	63.93	61.47	59.1	55.2
2003 CHINA	72.22	25.26	8.2	41.0
2003 INDIA	63.62	59.59	58.2	55.2
2004 CHINA	71.96	25.28	7.2	43.8
2004 INDIA	63.99	57.92	61.1	56.7
2005 CHINA	72.27	24.18	6.7	42.4
2005 INDIA	64.35	56.29	62.5	57.6
2006 CHINA	72.58	23.12	5.8	43.3
2006 INDIA	64.71	54.63	58.7	58.1
2007 CHINA	72.58	23.12	4.8	42.9
2007 INDIA	64.71	54.63	58.7	57.1
2008 CHINA	73.18	21.16	5.8	45.0
2008 INDIA	69.25	32.31	58.7	56.5

The staggering figures about China's economy, defense expenditure (indicating massive military buildup) and electricity production are concrete indicators of China's steady performance in the path of development. The reform process which had set off in 1978 had structurally yet, gradually transformed the productive forces so much so, that terms like 'market economy' had become commonplace in the CCP mouthpiece in the late 1990s. A cursory glance over the CCP agenda in all the annual National People's Congresses since 1978 shows a particular unmistakable streak throughout. The lopsided nature of the reform thrusting only upon economic transformation is highly evident. Political reforms were not focused at. The mismatch between economic modernization and political modernization had found its culmination for the first time in the Tiananmen Square in October 1989, where students had demonstrated demanding political reforms at an earnest. The demonstrations were addressed with administrative highhandedness and an uneasy calm has prevailed since then among the ranks of the CCP and the common men. With the end of the Cold War, hopes and apprehensions were pinned on countries like China and India to be the potential superpowers of the coming century and therefore a lot of attention was being given to their "rise". On comparing the results of the two countries in terms of hard indicators of power (see Table 2.1), China outstrips India beyond any shred of doubt but when it comes to the soft indicators of power (see Table 2.2), we might not have the luxury of straight jacketing the situation. China moves around in the lower percentiles when it comes to judging her in the light of governance. India's case in the same category is better than that of China. The grim results can therefore be rightfully attributed to China's economy-centric reform process. The centrality which China had and still ascribes to economic reform in her modernization

process has been time and again highlighted by the administration in a number of white papers. For example in an interview of Mr. Li Junru (Vice President of the Central School of Communist Party of China) in the *Beijing Review*, the thrust area of the modernization process was highlighted in candid terms²⁹. On being asked to characterize the reform process by staff reporter Mr. Jan Jifang, Mr. Junru categorically mentioned economic restructuring and modernization to be the centre piece of the reform process, followed by integration with the globalised order. The other factor which might also account for such results is the tight authoritarian grip which the CCP has had and still continues to have in China over anything else. The monopoly which the party ensures in each and every sector has resulted in partial advancement of China. In a white paper published on political democracy must be cited for taking into account the authoritarian significance the administration attaches to the CCP³⁰. The paper states in unambiguous terms that, since conditions vary from one country to another, the path of democratization would also depend upon the specific conditions of the country in question; there cannot be a universal code of democratic governance. To quote from the paper:

As the vanguard of the Chinese working class, the Chinese people and the Chinese nation, the CPC has taken as its own task the realization and development of a people's democracy right from the date of its founding. The goal of the CPC's leadership of the people in revolutionary struggles is to realize democracy for the overwhelming majority of people, and not just for a minority of the people. The CPC creatively combines the

²⁹ Interview of Mr. Li Junru by a *Beijing Review* Staff Reporter, Mr. Jan Jifang, published on April 22nd, 2004. Accessed from the official portal of the People's Republic of China www.gov.cn. The specific article was downloaded from the following website: <<http://www.china.org.cn/english/2004/Apr/93730.htm>> on 10th September, 2009

³⁰ White Paper on Political Democracy published in the official portal of the People's Republic of China, www.gov.cn. The paper has been downloaded from the following website: <<http://www.china.org.cn/english/2005/Oct/145718.htm>> on 10th September, 2009

general truth of Marxism-Leninism with the actual situation of the Chinese revolution, setting out such democratic concepts as "democracy for the workers and peasants," "people's democracy," and "new democracy," to enrich and develop Marxist theories on political democracy...these forms of political democracy were suited to the actual conditions in China at various periods of time and were able to guarantee that the people were the masters of the state. These forms of political democracy were a striking contrast to the ruling system of the Kuomintang, and they reflected the people's wishes and enjoyed popular support. - China's democracy is a people's democracy under the leadership of the CPC. Without the Communist Party there would be no New China. Nor would there be people's democracy. This is a fact that has been borne out by history. The Chinese people won the right to be masters of the state only after many years of arduous struggle under the leadership of the CPC. The democratic political system in China was established by the Chinese people led by the CPC. The development and improvement of this system are also carried out under the CPC's leadership. The leadership of CPC is a fundamental guarantee for the Chinese people to be masters in managing the affairs of their own country.

Disparity between the rural and urban areas, between the coastal provinces and the hinterland, increasing rate of corruption, crime and staggering unemployment are the bloat marks on China's growth curve. These issues have been casting their dangerous shadows over the apparent 'raised' standard of living which a common Chinese is said to have achieved as a result of the process of reform by the government. The CCP has been inventing new euphemisms to address the grave issues because it is the CCP which feels the heat of rising discontent among the masses. The lopsided nature of the reform process which happens to overlook the political aspect of reform has been criticized vehemently. On the other hand, while India is applauded as one of the robust functioning democracies in the world, her power quotient when it comes to the hard indicators make a dismal

show beside its Chinese counterparts. India's economic growth figures, military statistics and energy consumption figures prove that India is a relatively weaker country in comparison to China. It can be explained by taking into account two factors: one, China's economic reform process had already begun in 1978 while the reform in India began only in 1991. Second, China's political system which is essentially a one party rule has been instrumental behind China's staggering growth rates. In the realm of the soft indicators of power, India presents a much better picture in comparison to China. This can also be explained taking into account the domestic political system that is prevalent in the two countries.

Having plotted the power position of both India and China, it can be inferred that, in terms of relative power position, China is a stronger country and is placed accordingly in the international order. It is the relative power position that acts as a constraining factor over the behavior of states. The following chapters will thus look into the Sino-Indian engagement in three different theaters: namely Southeast Asia, Africa and Central Asia.

Chapter 3

China and India: Striving for Greater Influence over South East Asia

Introduction:

The earlier chapters having plotted China and India across several indicators of power have tried to ascertain the relative power position of China and India. It has been observed that, China occupies a relatively better position international politics, compared to India. The present chapter would endeavor to present and analyze the basic contours of Sino-Indian engagement in the Southeast Asian theater. The objective of this chapter is to lay in tracing the rise of India and China during the post cold war era by studying their engagement in this particular theater. The present chapter begins by presenting the theater South East Asia as an arena of Sino Indian engagement in competitive terms; it thereafter moves on to discuss briefly the relations between the region and the two countries during the period of cold war. The final segment of the chapter explores the various facets of China's and India's relationship with Southeast Asia.

Why Southeast Asia?

The present chapter would deal with the South East Asian Theater. The region South East Asia comprising of eleven independent sovereign states¹ forms a significant sub-region of Asia. It is geographically situated in the south of China, the east of India and

¹ Brunei [Bandar Seri Begawan]; Cambodia [Phnom Penh]; East Timor [Dili]; Indonesia [Jakarta]; Laos [Vientiane]; Malaysia [Kuala Lumpur]; Myanmar [Naypidaw]; Philippines [Manila]; Thailand [Bangkok] and Vietnam [Hanoi].

north of Australia. The region South East Asia has been chosen as one of the theaters for showcasing and thereafter analyzing Sino Indian engagement owing to certain factors geo-political and historical. To quote Daljit Singh:

Geographically, South East Asia juts out from the mainland of Asia, mostly in the form of peninsulas and islands. Now comprising ten independent states, it has at various points of time consisted of many different, often feuding kingdoms and sultanates. Two giant countries, China and India, have formed its northern and north-western land borders. It is not surprising historically both these countries have had a strong political, strategic and cultural impact on their smaller South East Asian neighbors. The degree of this impact varied according to the strength and dynamism of the Chinese and Indian polities during different periods of history².

Neighborhood of a certain country or a region happens to have an extremely consequential bearing upon the country or region in question. As has been mentioned already that Southeast Asia is flanked by China and India on its north and west respectively, moreover the region is crisscrossed by important sea lanes significance of which are highly evident. The maritime passages from the Indian to the Pacific Ocean through narrow straits in Southeast Asia are of immense strategic importance since through them transit the navies of the major powers and trade of most of the nations. India and China being neighbors to this very region have through their policies tried to wield influence. Moreover, the immense resource endowment of the region imparts it with an edge which makes it a significant geopolitical destination. China and India are two countries who have prized their natural leadership over the third world nations very

² Daljit Singh . “The Geopolitical Interconnection Between South and South East Asia” in Frederic Grare and Amitabh Mattoo (eds.) *India and ASEAN: The Politics of India’s Look East Policy*, Manohar Publishers, New Delhi, 2001. p.21.

dearly since their respective emergences as independent sovereign nations. Although, this factor is fairly general in nature, Southeast Asia happens to be an important area of expanding influence owing to the geographic contiguity between Southeast Asia, China and India. From the factor of geographic contiguity stems the other rationale which makes the selection of Southeast Asia as one of the theaters for analyzing the trends of Sino Indian engagement. The relationship between geographic continuum and socio-cultural similarity is symbiotic in nature. Each contributes towards the sustenance of the other. China and India have had strong religious and cultural links with the region which has substantially shaped their respective Southeast Asian society policies. Ties between these two countries and the Southeast Asian region also rest upon the factor of ever expanding and largely significant Indian and Chinese diasporas in the region. As would be evident in the due course of this chapter, the presence of an immensely significant Chinese and Indian diaspora in Southeast Asia have greatly shaped and restructured the state of relationship between the region and the countries respectively. These two factors have largely shaped the selection of Southeast Asia as one of the prime theaters in the present dissertation. The above factors have therefore contributed to the enmeshed nature of security scenario which results from the policies that India and China undertake as part of their respective Southeast Asia policies. The mutuality between the triangular relationship between the region, India and China has been best expressed in an article, where former secretary in the Ministry of External Affairs, A. N. Ram states that:

Let us remember the comments of scholars like G. Coedes and K. M. Panniker who had always maintained that South East Asia's security and well being will be defined and determined by Sino-Indian cooperation and India's and China's larger security interests

will compel them to take note of the Asia-Pacific space which is emerging as a major factor in the regional calculus and the emerging regional architecture³.

The time period which the present dissertation wishes to consider is the post cold war phase beginning from 1991. In order to appraise and critically consider the various facets of Sino – Indian engagement in the Southeast Asian region, we would have to at first consider the trajectory of relations during the cold war phase. Relations between India and Southeast Asia on the one hand and that between China and Southeast Asia on the other were completely determined by the exigencies of the cold war. The mould of the cold war had shaped the entire gamut of relations between the region and countries like China and India.

India-Southeast Asia Ties and China-Southeast Asia Ties during Cold War

India – Southeast Asia relations, in the post Second World War period can be characterized as being devoid of direction as well as content. Independent India which was preoccupied with pressing problems of national development and reconstruction chose to pursue an independent foreign policy based on non-alignment premised on anti-colonialism, peace, disarmament and development on the basis of shared experiences with the erstwhile colonies of Europe located mostly in Asia and Africa. Southeast Asia was quickly and deeply sucked into the vortex of cold war alliances and imperatives. Neither did India consider developing substantial ties with the countries of Southeast Asia owing to the region's pro capitalist stance, nor did Southeast Asia show any inclination of forging independent links with a newly independent India. India was

³ A.N. Ram, "India's 'Look East' Policy" in K. Raja Reddy (ed.) *India and ASEAN: Foreign Policy Dimensions for the 21st Century*, New Century Publications, New Delhi, 2005, p. 11.

largely perceived during those years as heavily tilted towards the erstwhile Soviet Union and plagued with problems of pervasive poverty and regional conflict to name a few. One would come across the presence of a number of factors which in International Relations are regarded as pre-requisites behind the establishment of meaningful and substantial bilateral relations between two nations or regions while studying India Southeast Asia relations from close quarters during the period of cold war. Yet, as has been stated earlier, India - Southeast Asia relations during the period of cold war lacked direction and content. In that case, how does one explain the existence of conducive factors⁴ on one hand and lack of meaningful bilateral relations between two actors on the other? When looked at the issue through the prism of neo-realism it appears that, the actors had acted according to the imperatives which were generated by the principles behind the international structure which was in existence during that period. The mould of cold war had imparted the actors in question with a set of mutually exclusive set of security imperatives. On the one hand India was concerned about increasing super power interference and the mushrooming of security alliances in its vicinity sponsored by the capitalist bloc; Southeast Asia on the other hand regarded the spread of communism to be dangerous in the region. Hence, it was the mutual exclusiveness between the respective security concerns shared by India and Southeast Asia which had manifested in a number of ways during the cold war period resulting in a directionless and non substantive body of bilateral relations. Way back in 1947 the Indian nationalist leaders had convened the

⁴ India's geographic proximity to South East Asia sharing its maritime boundaries with at least three countries; the geo-strategic aspect of their locations vis-à-vis each other (greater proximity of Andaman & Nicobar islands to South East Asia than to India, the southern Indian tip being astride with a number of vital sea lanes of communication in the Indian Ocean connecting Asia with Europe) ; the influence which India has had over South East Asia in terms of religion, culture, language and civilization and finally the enormous historical evidence which suggest that India and South East Asia had shared economic and cultural relations during the pre colonial days happen to provide relations between the countries of South East Asia and India a natural background.

Asian Relations Conference with the intention of expressing solidarity with the freedom struggles across the Southeast Asian countries. Another special conference was held in 1949 which was attended by fifteen nations as a gesture of showing unqualified support to Sukarno led armed struggle against the Dutch colonial rule in Indonesia. In fact it has been argued by Mohammad Ayoob that, the nationalist struggles in Indonesia and Vietnam had helped shape India's nascent foreign policy in the immediate period following her independence⁵. India's neutralist/non-aligned foreign policy had considerable appeal in Southeast Asia even as the cold war rivalry began having an impact in the region. Testimonies to the above can be easily traced during 1950s, when India was made the Chairman of the International Control Commission that was set up under the 1955 Geneva Accord on Vietnam and the active participation of countries like Indonesia during the Bandung Conference in 1955. India's interest in Southeast Asia dwindled with the wars that India had to fight with China in 1962 and with Pakistan in 1965 and 1971⁶. In spite of professing the ethos of non-alignment as one of the pillars of Indian foreign policy, India moved closer to erstwhile Soviet Union owing to its own security predicament. Anti communist Southeast Asia started regarding India to be an extension of the Soviet arm under the camouflage of NAM when India signed the Treaty of Friendship with Soviet Union in 1971. A major change in South East Asia came with the formation of the Association of South East Asian Nations (ASEAN) in 1967 which was a virtual assembly of all the non-communist forces of South East Asia. ASEAN was

⁵ Mohammad Ayoob, *India and South East Asia: A Study of Indian Perceptions and Policies*, Routledge, London, 1990, pp. 7-8.

⁶ India was greatly disappointed when North Vietnam came out in support of China during the 1962 war and more so when Sukarno offered to open another front and take over the Andaman and Nicobar Islands located close to Indonesia in the Bay of Bengal during the 1965 war with Pakistan. Malaysia was the only country which had not only condemned the Chinese attack but also offered its help to India.

largely perceived by the Indian policy makers as an extension of the SEATO which was formed in 1954 at the insistence of the USA and this particular incident had played an instrumental role in sucking the region in the vortex of cold war politics⁷. India therefore continued to regard ASEAN from the perspective of power blocs and this is what the then Foreign Affairs Minister Atal Behari Vajpayee had stated on August 19th 1977:

India would like ASEAN to include other countries in the region without it developing into a bloc or a military presence⁸.

Owing to the overwhelming forces of the cold war, the above statement found a clear resonance when Vietnam stated in 1976 (just before the Bali Summit) that United States was using ASEAN, with Indonesia as a main crutch to rally all pro-American reactionary forces to oppose the revolutionary movement in the region⁹. In the late 1970s and the early 1980s India's attention was drawn again towards Southeast Asia owing to the developments that were taking place in Indochina. The February 1979 Chinese attack on Vietnam to 'teach a lesson' for the latter's military intervention in Cambodia and overthrow of the pro-Beijing Pol Pot regime brought India and Vietnam closer. India was the only non-communist country to have recognized Vietnam installed Heng Samrin government in Cambodia. The ASEAN offer of a 'dialogue partnership' in the 1980s to dissuade India from extending diplomatic recognition to the Heng Samrin regime in

⁷ Communist success in Vietnam had alarmed the US policy makers and the security of South East Asia became its core concern. Secretary John Foster Dulles on September 29, 1954 called for a united action in South East Asia to forestall the communists and he had said that, the loss the China mainland to Communism was a great disaster. That disaster would be compounded if there were added to it the loss of the millions of people, the vast economic resources and the strategic positions represented by South East Asia and the Pacific Island. Finally South East Asia Treaty Organization (SEATO) was established in 1954 with Philippines and Thailand being its South East Asian members.

⁸ News Correspondent, *Hindustan Times*, New Delhi, August 20, 1977.

⁹ News Correspondent, *Hindustan Standard*, Calcutta, June 3, 1976.

Cambodia was perceived to be strategically less advantageous and hence, not accepted. The position taken by India on the Soviet invasion of Afghanistan directed the non-communist ASEAN nations suspect that India along with Soviet Union and Vietnam might make concerted moves to check the growing Chinese influence in Southeast Asia, particularly after the Soviets had gained a foothold in the Cam Rahn Bay naval base in Vietnam¹⁰. This was also the period when the expansion of the Indian navy and her foreign policy overtures in Maldives and neighboring Bangladesh had begun to be considered as a display of hegemonic powers. Hence, it can be inferred that, cold war calculations had compelled both India and Southeast Asia not to consider each other as mutually beneficial for each other's long term interests.

The compulsions of the framework of cold war had not even spared the relations between the People's Republic of China and Southeast Asia. What is noteworthy in the study of the relations between China and Southeast Asia during the period of cold war is the ideological complexion of China as against Southeast Asia. Antagonistic as well as cordial relationships during the period of cold war was defined and justified ideologically. During such times, socialist China and her relationship with Southeast Asia as a region did not possess a homogenous character. While on the one hand there were countries like Philippines and Thailand which saw perfect identity between their notion of security and that of the United State of America, there were states like Indonesia and Malaysia too who saw China to be the source of threat to the region. The region also had Vietnam as a variant which vouched for socialism during its nationalist struggle thereby maintaining close affinity to countries like China; nevertheless perceptions changed

¹⁰ G. V. C. Naidu, *Indian Navy and South East Asia*, Sage, New Delhi, 2002.

between the two when their respective interests collided in the region. Vietnam was assisted with men and material during her nationalist struggle by China but with the onset of 1970s equations between the two took drastic leaps apart.

It was primarily the mould of cold war and China's policies in the 1960s¹¹ that transformed the region's perceptions about China, creating a legacy of distrust. Most of these Southeast Asian countries had drifted in favour of the ousted Guomintang regime in Taiwan and gradually they evolved into front runners of the United States' policy of containment¹². In 1967, none of the Southeast Asian countries had normal relations with China. ASEAN was tagged by China in 1967 as 'American Lackeys'. It was only during the 1970s that relations between China and Southeast Asian countries gained some momentum owing to China's economic and foreign policy reorientation. On the plane of foreign policy, China and Soviet Union started moving apart owing to their territorial issues culminating in a military clash over the river Ussuri in 1969. United States was perceived a strategic option by China during that time in order to contain Soviet designs in China's natural and historical zones of influence. The entire world took notice when ties between the US and China took a qualitative turn for the better during the 1970s. On the domestic front curtain was already falling on the much hyped Cultural Revolution which attained culmination with the change of guards at the CCP and their introduction of the four modernizations under the leadership of Deng Xiao Ping. The process of economic reform which began in 1978 made China open her doors to the outside world.

¹¹ It was during the first 25 years of China's emergence as an independent sovereign socialist nation, that Mao Zedong had virtually closed the doors to the outside world and Beijing sought to deal with Southeast Asian countries through the Communist party outfits that operated directly against the national interest of the host countries.

¹² Swaran Singh, "Sino-Southeast Asian Ties: Problems & Prospects", *Strategic Analysis*, Vol. XXIV, No. 2, May 2000, p. 361.

The perception of the Southeast Asian countries took a positive turn when China initiated the process of economic liberalization and improved relations with the US simultaneously. The ASEAN states began rethinking about their relationship with China owing to the changed circumstances. The event which moved the Southeast Asian countries closer towards China was the Vietnamese invasion of Cambodia in 1979. An identity of interest was located by Southeast Asia between its own stand and that of China's over Vietnam's aggressive military moves in Cambodia. To quote Alice D. Ba:

The second phase of Sino-ASEAN relations began in December 1978 with Vietnam's intervention in and subsequent occupation of Cambodia, just as the US and China finalized their normalization process. Both Washington and Beijing were united in their opposition to Vietnam's intervention - and by extension, the spread of Soviet influence...¹³

However, the lack of US response to Vietnam's intervention, alongside China's heightened involvement, confirmed for many in ASEAN the necessity of dealing with China. A defacto alignment in ASEAN started gathering form under the insistence of Thailand against Vietnam. Moreover, Thailand on identifying Vietnam as the greatest threat in the region turned to China for military assistance. Nevertheless, ASEAN members differed on whether China or Vietnam was a greater threat to the region. On the one end of the spectrum were states like Malaysia and Indonesia who were skeptical about China's ultimate designs and motives in South East Asia, while on the other end of the spectrum were countries like Philippines and Singapore. This situation was cunningly utilized to the fullest extent by China when Deng Xiao Ping embarked upon a tour of

¹³ Alice D Ba, "China and ASEAN: Renavigating Relations for a 21st Century Asia", *Asian Survey*, Vol. 43, No. 4, July-August 2003, p. 625.

Southeast Asia, seeking political allies against the Soviet Union and Vietnam as well as support for the recently introduced economic reforms. Thus, the economic prowess of China and the promises it held ignited the imagination of the Southeast countries. The background for a robust trade and economic relations between China and Southeast Asia was prepared before the end of the cold war. The highhanded nature of Chinese actions towards the pro democracy protestors who had gathered at the Tiananmen Square (Beijing) in 1989 had entailed a volley of sanctions and embargoes on charges of human rights violation from the western countries. Banished by the west, China began considering her immediate neighborhood which included Southeast Asia to be one of the areas where active engagement could be pursued.

While comparing and analyzing India - Southeast Asia relations and China - Southeast Asia relations during the period of cold war certain convergences and divergences between the two appear. Both the relations were overwhelmingly molded by the confines of cold war rivalry. India - Southeast Asia relations during the cold war era lacked content since each viewed the other in terms of cold war politics. Since Southeast Asia was largely regarded as a non-communist group of nations, India kept a considerable distance since it did not want to project any kind pro US alignment. On the other hand, because of the same reason, China was viewed as a threat by the countries of Southeast Asia because of China's ideological identity. One of the most glaring divergences between the two revolves around the perception that the region held towards them respectively. While China was generally perceived as a threat owing to her 'middle

kingdom’¹⁴ approach, India on the other hand was generally perceived less of a threat and more of an indecisive nation who in spite of professing the merits of staying non-aligned, tilted towards Soviet Union thereby contributing to a further entrenchment of super power interference in the affairs of the region. Interestingly, post cold war relations of India and China with the region is marked by a gradual shift towards pragmatism thereby shifting ‘away’ from normative concerns of the cold war years. While China shed its inhibition about establishing relations with the largely non-communist nations of Southeast Asia thereby taking a common path, India also shed her ideological baggage and moved towards pragmatism. The above divergences can be substantiated if one considers the way China had teamed up with the ASEAN nations in deploring Vietnam’s invasion of Cambodia and had also showcased her potential economic eminence as a liberalized nation. Indian foreign policy establishment would have been much more pragmatic had it accepted the ASEAN offer of dialogue partnership way back in the 1980s, but India was unable to imagine beyond the constraints of cold war. Before we delve into the various facets of China and India’s relationship with the region since the end of cold war, we ought to take cognizance of the fact that, the relationship between India and China was hostile in their geographic vicinity (South Asia) during the period of cold war. The fall of the Berlin wall, sudden disappearance of Soviet Union as the second pole, the process of liberalization initiated by China (1978) and India (1990) lay bare their competitiveness. The rivalry for wielding greater and deeper influence in regions

¹⁴ The Peoples’ Republic of China is referred to in Chinese as *Zhong Guo* meaning middle kingdom. The nomenclature indicates that China which had by virtue of her favorable geographical position and power maintained tributary relationships with the neighboring countries thereby maintaining a natural superiority over and above the rest. China, as scholars argue has not been able to shed of her ‘middle kingdom’ mentality till date giving rise to a threat perception among her neighbors.

like South East Asia became the bottom-line of their foreign policy choices vis-à-vis each other in the post cold war era.

China - Southeast Asia & India - Southeast Asia Relations during the Post Cold War Period

A set of dramatic economic measures were announced by the Indian government which took over in June 1991. The underlying principle was shifting from a planned to a market economy. The dose of liberalism enabled India to reveal her economic capacity in the neighboring region. Apart from retuning the policy of non-alignment serious attempts were made to calibrate foreign policy priorities with security concerns. In order to give economic orientation to the foreign policy a separate cell called the Economic Division was created, headed by a senior bureaucrat in the Ministry of External Affairs. Since the context of ideological rivalry had disappeared and so had the rationale behind Nonalignment, India singled out Southeast Asia as the region to be approached in a comprehensive manner with a set of robust political, economic and security strategies. The new government under Prime Minister Narasimha Rao sought to locate the new economic strategy within the framework of India's external policy by emphasizing the need for a clearer delineation of the country's foreign economic policy. In his address to the Heads of Indian Missions and Posts, the External Affairs Minister explained the importance of a reorientation in the country's external policy by stating:

It is no longer possible to view our foreign, economic and political relations separately... We have to bring about adjustment in our foreign policy, not so much in its basic principles and objectives, as in terms of reordering of priorities, shift of emphasis,

changes in approach and methods...Advancement of our economic interests, should in fact, be the predominant consideration, in the conduct of our foreign policy¹⁵.

The policy which was launched by the India vis-à-vis Southeast Asia was termed as the Look East Policy. Redirection and change hence were visible both in functional and geographical terms. On both these counts the ASEAN region figured most prominently in the calculation of the policy makers thus transforming the nature of India's interest towards the region from a secondary to a primary one. The region's spectacular economic achievements in terms of high growth and improvements in living standards as well as its comparative political stability drew India towards the region. There was a palpable feeling that India would gain enormously by closer economic ties with these countries and South East Asia felt the same way about India owing to its recently introduced liberalization policies. Indian foreign policy took an active interest therefore in the region under the brand of Look East Policy. The policy was a heady combination of political, strategic and economic interests directed towards South East Asia to achieve a reasonable stake in the region. On the other hand China, which initiated reform in 1978, also started taking renewed interest in Southeast Asia. For China, Southeast Asia also served as a significant plank against the sharp edged criticisms which were aimed at her owing to the methods it had undertaken to quell the protestors at the Tiananmen Square.

The objective of the present dissertation is not confined only to the limits of tracing the trajectory of the multifaceted nature of Sino-Indian engagement in select regions, but also to analyze them. This chapter deals with South East Asia which is the first region of enquiry. Although the region South East Asia is in question, the competition for wielding

¹⁵ *Foreign Affairs Record*, March 1992, New Delhi, Volume 38, Number 3, pp. 104-105.

greater and deeper influence would be looked at mostly from the vantage point of ASEAN which now includes all the ten nations which comprise the region. Moreover, ASEAN has proved itself to be a body possessing a roughly homogeneous voice when it comes to perceiving and relating with an external player. In order to argue each case comprehensively I have chosen to highlight the trends of China - Southeast Asia and India - Southeast Asia relations by discussing substantially about their political, economic and military aspects.

Political Ties:

In this section I do not intend to draw a trajectory of bilateral ties between India and China with the individual countries of Southeast Asia; rather I would be discussing the emergent trends, issues and the underlying notions which have from the beginning of 1990s till been shaping and restructuring relations. There were perceptible similarities between the rationale behind the reoriented foreign policy approaches initiated both by China and India since the beginning of the 1990s. Looked at from the systemic angle, the context of raging ideological rivalry had suddenly disappeared with the collapse of the Soviet Union which facilitated the withdrawal of American bases from the South East Asian region (Philippines). Similarly Soviet Union had also withdrawn its bases from the Cam Rahn Bay (Vietnam). An overtly pro-capitalist region thus entered the phase of a power vacuum. Domestically, there were developments of similar nature in both China and India. Both the countries had liberalized / reformed their economies. China had undertaken the reform process way back in 1978 and it was introduced in India in 1991. Owing to the shifts in the systemic level, India was busy reconsidering her policy of non-

alignment. China in its own way was trying to work out her new priorities especially in her immediate neighborhood. Economic liberalization and the requirements of a market economy compelled both the countries to cultivate the Southeast Asian Region which was already showing discernible signs of economic dynamism and political stability. Hence the policies which were generated with regard to Southeast Asia were a result of the combined demand of economics and the changed international structure. Both India and China were taking up the path of pragmatic foreign policy.

Upon close observation a number of issues come to the fore which have determined and shaped the chief contours of the bilateral ties between the region and the two countries (India and China). The first such issue which we would take up for discussion is the Vietnamese invasion of Cambodia. As we have discussed earlier, the Cambodian issue had impeded the establishment of meaningful relations between the region and India during the period of cold war. Though the issue was nearing a political settlement under the aegis of the United Nations in the 1990s, the stand taken by India had never become identical to that of the region. At the United Nations General Assembly (1989) a resolution was put to vote wherein a comprehensive settlement to the Cambodian conflict by forming an interim government with Khmer Rouge representation was proposed. Despite reservations, almost all western nations voted for the resolution sponsored by the ASEAN nations; the communist nations had voted against and India had abstained. Mr. C. R. Gharekhan, India's permanent representative to the UN was of the view that, Vietnam by withdrawing troops had done its bit and that the proposed resolution ran against the spirit of a speedy and full proof political settlement since it did

not have a consensus¹⁶. While the position regarding the role of Vietnam brought differences between India and Southeast Asia, China on the other hand conditioned that its relations with Vietnam could only normalize if and when Vietnam would work towards genuine withdrawal of all Vietnamese troops from Cambodia under strict and effective supervision¹⁷. Moreover, the foreign minister of Thailand, Mr. Subin Pineayan had expressed in unambiguous terms the identical nature of China's and Thailand's stand over the issue; both considered the panacea to the whole issue lay in electing Prince Norodom Sihanouk as the Chairman of the Supreme National Council. On the other hand President Hun Sen (Cambodia) on his visit to India suggested that India should play a peacekeeping role in his country under the auspices of the UNTAC (United Nation's Transitional Authority in Cambodia)¹⁸. In the meanwhile India had extended help generously to Vietnam in its economic recovery program Doi Moi by an agreement in this regard¹⁹. At the beginning of the 1990s it was only the Indo-China states with whom India shared substantial relations based on common understanding and shared values. The then Indian President Shri R. Venkatraman, on his visit to Vietnam had opined that India and Vietnam had developed close ties in the past years owing to their shared history of colonial domination and emphasized that,

¹⁶ "UN for Comprehensive Settlement", *Asian Recorder*, January 15-21, 1990, Number D-©-92, Vol. XXXVI, No. 3, p. 20962.

¹⁷ "Paris Conference Endorses UN Role", *Asian Recorder*, March 12-18, 1992, Number D-©-92, Vol. XXXVI, No.11, p. 21051.

¹⁸ "UN Assembly Appeal", *Asian Recorder*, November 26- December 2, 1992, Number D-©-92, Vol. XXXVI, No. 48, p. 21451-21452.

¹⁹ India had extended a credit of \$ 100 million for import of capital and manufactured goods. It was agreed to undertake immediate measures to boost trade and establish joint ventures to give a deeper meaning to the existing bilateral relations.

“it is essential that we ensure full implementation of the Trade Protocol (of September 1990) and develop commercial and economic relations to the full potential commensurate with our political ties²⁰”

The Vietnamese head of the state Mr. Vo Chi Cong had reciprocated by harping on the significant role of India as a prerequisite to regional peace and stability. Relations between China and Vietnam thawed after thirteen years of hostility with the formal process of normalization in 1991 with the issuance of a communiqué by the Vice Foreign Ministers of both the countries²¹. The communiqué expressed satisfaction at the gradual improvement of bilateral relations which would contribute towards maintenance of peace and development. Relations between the two communist nations were further consolidated with the visit of Chinese Premier Li Peng in 1991 to Vietnam, the first by a Chinese leader since 1979. In spite of the prevailing disputes regarding the Spratly Islands, the visit assumed significance for both since, China was diplomatically on a back foot in its relation with the West since the Tiananmen Square clampdown and Vietnam on the other hand tried to extract an assurance from China that the latter would not assist the Khmer Rouge in future²². Relations between the two were further taken to a higher plane by inaugurating a rail link which would connect Vietnam and China in their border area²³. China's role in the Cambodian issue troubled China when the UN Secretary General Kofi Annan had tried to establish an international tribunal to try the war crimes committed by the Khmer Rouge guerillas. China being a permanent member of the

²⁰ “President Visits Vietnam and Philippines”, *Asian Recorder*, June 10-16, 1991, No.- D ©-92, Vol. XXXVIII, No. 24, p. 21761.

²¹ “Talks With Vietnam”, *Asian Recorder*, September 23-29, 1991, No.- D ©-92, Vol. XXXVIII, No. 39, pp. 21923-21924.

²² “Li Visits Hanoi”, *Asian Recorder*, December 23-31, 1992, No. DL-11026/92, Vol. XXXVIII, No. 52, p. 22814.

²³ “Rail Link with Vietnam Opened”, *Asian Recorder*, March 11-17, 1996, No. DL-11026/96, Vol. XXXXII, No. 11, p. 25473.

UNSC expressed its contrary position regarding the whole matter²⁴. The disputed Sino-Vietnamese border was regularized immediately in 1999 by a historic land border agreement although the issue of the disputed Spratly still remained alive. Ties between India and Vietnam were consolidated at the turn of the century when Vietnam openly backed India for her membership at the ASEM. India reciprocated by lobbying for Vietnam's membership at the WTO following which Vietnam expressed her interest in establishing a free trade area with India at the earliest. Hence, the invasion of Cambodia by Vietnam which had led to ideological rivalry in the Southeast Asian region during the period of cold war, matters began easing out in the post cold war period owing to two different reasons. In the first place, China eased its relations Vietnam since she had embarked on a pragmatic policy stance in the 1990s thereby stressing on the requirement of a peaceful external environment for the economic reform process to be successful. Relations between Vietnam and India were always cordial but one needs to consider that, during the cold war period Indo Vietnamese cordiality had cost India dear. In the 1990s India also started venturing out to the other countries of the region even if they differed on the means of political settlement of the Cambodian issue which bears testimony to the fact that India too had shifted from being solely guided by ideological considerations.

The next issue which figured prominently in the relations was the Spratly dispute and the stance adopted by China in the same. South China Sea is a semi enclosed water body which is dotted all over with small islands and atolls. It is surrounded by China and Taiwan in the north, Vietnam in the west, Malaysia, Indonesia and Brunei in the south

²⁴ "China Against International Tribunal", *Asian Recorder*, April 30-May 6, 1999, DL-11026/99, Vol. XXXXV, No. 18, p. 28079. [reports had also pointed to certain former Khmer Rouge guerillas of threatening both China and US in case they are convicted by the tribunal]

and Philippines in the east. Each of these bordering countries has respective territorial claims over the islands which are grouped roughly under four clusters [Pratas, Macclesfield Bank, Paracels and Spratlys]. According to noted Sinologist Swaran Singh, the famous oil crisis of 1973 had catapulted the South China Sea issue into the centre-stage of Sino-South East Asian equations²⁵. He further asserts that this was compounded by the rapid pace of development in both China and the countries of Southeast Asia leading to a sharp increase in their energy consumption. Although all the claimants except for Brunei have taken recourse to militarizing the area, it is predominantly Philippines and Vietnam who have had major disagreements and squabbles with China. While most Southeast Asian countries have put forward the proximity argument to support their claims, China's arguments have been especially based on historical logic emphasizing on how the Chinese had been the first to discover and exploit all these islands and therefore have an overriding claim over them. The real assertion of authority can be traced way back to the 1970s when People's Liberation Army Navy (PLAN) launched its first survey in the Amphitrite Group, the easternmost cluster of the two island groups making up the Paracel archipelago²⁶. PLAN was engaged since then in advancing bit by bit and had established a meteorological station in the Woody Island. When aerial photography and air patrols had become a routine affair for China, she had advanced to set up an observation station in the Spratlys itself which Vietnam contested sternly. China's stance in the post cold war period has shifted markedly. Owing to her pragmatism in foreign policy and the requirement for the maintenance of peaceful neighborhood which underlines the establishment of good neighborly relations with

²⁵ n.12, p 365.

²⁶ John W. Garver, "China's Push Through the South China Sea", *Strategic Digest*, Vol. xxiii, No. 6, June 1992, p. 878.

smaller neighbors, China has time and again reiterated proposals of jointly developing the islands so that their resources can be mutually accessed; at the same time she maintained a hawkish approach so far as sovereign claims over the disputed islands are concerned. It needs to be considered that both China and the Southeast Asian claimants have faltered in maintaining the spirit of the mutually reached agreements. A major irritant in the relations between China and the claimant countries of Southeast Asia occurred when in 1992 the Chinese National People's Congress passed a law declaring China's exclusive economic zone (EEZ) rights thereby declaring her sovereign rights over the waters. The declaration was adopted after it was decided in a workshop in Indonesia where the claimant countries had pledged to find a peaceful and political way out of the problems²⁷. Moreover, China had awarded a contract to the US firm Crestone for the exclusive oil exploration after passing the law²⁸. Incidents like these have occurred almost every year through-out the 1990s. Apparently China does not favour holding an international conference as mooted by the Philippines and the formalization of the dialogue process as favored by Vietnam and probably some other ASEAN members. It has rather preferred to tackle the issue on a bilateral basis.

Upon close observation of Sino Southeast Asian ties one would inevitably come across the issue of communist insurgency in Philippines and Indonesia and the role of China in it. Relations with these countries were normalized in the beginning of the 1990s only after the communist insurgency had come to an end²⁹. With the dawn of a new era in

²⁷ "Vietnam Worried", *Asian Recorder*, August 19-25, 1992, DL-11026/92, Vol. XXXVIII, No. 34, p. 22516.

²⁸ "Dispute Over Islands", *Asian Recorder*, July 1-7, 1992, DL-11026/92, Vol. XXXVIII, No. 27, p.22402.

²⁹ "Communists End Armed Struggle", *Asian Recorder*, January 15-21, 1990, D-©-92, Vol. XXXVI, No.3, p. 20971.

Chinese foreign policy thinking in the post cold war era, China had stopped backing the communist rebels settled and functioning outside the Chinese borders with money and material.

One of the most important areas where China and India have been competing to gain influence (both political and strategic) in order to reach out to the region on a much firm footing is Myanmar. China was never critical of the military junta and its regime in the Myanmar the way India was. But, in the mid 1990s when China began tapping the rich resource base (oil and gas) of Myanmar by helping Myanmar build infrastructural assets³⁰ India did a volte face in her Myanmar policy owing to her worries regarding Chinese strategies, for example: China's direct involvement in the upgradation of the naval bases at the Irrawaddy delta³¹; China's offer of providing Myanmar with low interest loans and technical help³². India pursued her national interest solely and tried to open up all the possible avenues of establishing a warm relationship with Myanmar. Apart from reasons of gaining access to Myanmar's resource base, India had other concerns too which directly stemmed from China's activities in Myanmar. Apart from large scale arms transfer³³, China had also helped Myanmar build ports, airbases and surveillance towers in the Bay of Bengal region which was read by the Indian strategists as a classic component of China's string of pearls strategy pursued against India³⁴. Moreover, a cooperative relation with the Myanmarese junta would inevitably result in a better

³⁰ "China Helps Build Base", *Asian Recorder*, November 4-10, 1992, DL-11026/92, Vol. XXXVIII, No.45, p.22695.

³¹ "India's Concern", *Asian Recorder*, February 19-25, 1993, DL-11026/93, Vol. XXXIX, No. 8, p. 22938.

³² "China Offers Aid", *Asian Recorder*, February 12-18, 1996, DL-11026/96, Vol. XXXXII, No. 7, p.25414.

³³ "Arms Deal with China Signed", *Asian Recorder*, December 24-31, 1994, DL-11026/94, Vol. XXXX, No. 52, p.24471.

³⁴ "Gateway to Indian Ocean Via Myanmar", *Asian Recorder*, June 18-24, 1997, Vol. XXXXIII, No. 25, p.26528.

managed North Eastern Indian border which is infested with a number of secessionist groups and insurgents. Hence, India has had a number of reasons to follow an out and out cooperative policy with Myanmar. India's policies have included resumption of border trade with Myanmar³⁵, agreeing upon pacts to control drug trafficking³⁶, infrastructural development strategies like building of the Tamu - Kalema - Kalemmyo road³⁷ etc.

Last but not the least, the role played by countries like Thailand, Singapore and Malaysia deserve mention owing to their active interests in both the countries' (India and China) engagement with the region through bilateral as well as multilateral platforms. To start with Thailand, China has successfully played the investment diplomacy in order to gain access to the region. Countries like Indonesia, Malaysia and Philippines had their own apprehensions about developing a one to one relation with China for a long time owing to a set of threat perceptions. It was only Thailand which had restored diplomatic relations with China at the height of cold war in 1975. Thailand had since then been investing heavily in China and it is Thailand which had lobbied hard with the other leading regional players to engage China into dialogue partnerships within the ASEAN mechanism. A similar role was played by Singapore so far as India is concerned. Singapore had convinced the ASEAN members to elevate India to the level of full dialogue partnership and to include India in the ASEAN+1 mechanism. Singapore had also played an instrumental role behind India's inclusion in the list of countries to be

³⁵ "Trade pacts with Myanmar", *Asian Recorder*, February 12-18, 1994, DL-11026/94, Vol. XXXX, No. 7, p.23746.

³⁶ "Pact with Myanmar to Control Drug Trafficking", *Asian Recorder*, June 4-10, 1998, DL-11026/98, Vol. XXXXIV, No. 23, p. 27332.

³⁷ "India Myanmar Road Opened", *Asian Recorder*, March 5-11, 2001, DL-11071/2001, No.10, p.982.

grouped under the East Asia Summit which had its first meeting in 2005³⁸. Evincing a "genuine interest" in reaching out to India, a potentially "important friend", in the long-term future, Singapore according to Prime Minister Goh Chok Tong, had signaled his country's readiness to diversify its traditional links with New Delhi³⁹. Malaysia has been one of the most important players in the region which has played a significant role in engaging with both India and China at bilateral level as well as through the ASEAN owing to their economic capabilities in the post liberalization phase. To quote Abdullah Ahmad Badawi:

...as India looked east, Malaysia was looking west at India. Let me be patently clear — I am here to build new bridges, construct new economic alliances, and generate fresh economic cooperation. And I do so in the cause of our common future in an increasingly competitive world⁴⁰.

Economic Linkages:

It is against this background that one needs to analyze the economic linkages. The level and state of institutional linkages between ASEAN on the one hand and India and China on the other need to be considered for they would help us uncover the underlying currents of the competitive relationship between two aspiring players over the region. Establishment of institutional relations between a regional organization and a country is reflective of the mutuality with which each views the other. We would take upon the task

³⁸ News Correspondent, "India Indonesia to establish strategic partnership in tune with realities", *The Hindu*, December 15, 2005.

³⁹ Select excerpts from an interview of Singapore's Prime Minister Goh Chok Tong taken by P.S. Suryanarayana, *The Hindu*, April 6, 2003.

⁴⁰ Diplomatic Correspondent, "Badawi suggests trade agreement", *The Hindu*, Dec 21, 2004

of comparing and contrasting the level and state of institutional relations between India and China respectively with ASEAN with the intention of locating the trends and stages of mutuality.

The Association of South East Asian Nations (ASEAN) was founded in the year 1967 with the aim of ensuring regional peace and stability, accelerating economic growth, social progress and cultural development in the region by promoting joint endeavors through active collaborations and mutual assistance⁴¹. While acting as a vehicle for intraregional cooperation ASEAN also adopted the mechanism which has enabled it to foster its interactions in a collective way with external players. Initially of course, ASEAN lacked a special institution to engage in such exchanges, but gradually the dialogue processes took shape. Over the years the ASEAN dialogue partner relations, opines noted scholar Kripa Sridharan, has become a forum for the following:

...technical and development assistance for common ASEAN projects; trade and economic concessions through ASEAN collective lobbying; strengthening of political relations with the dialogue partners; and boosting ASEAN economic standing...⁴²

The dialogue partnership has increasingly come to symbolize ASEAN's fruitful interactions with countries on which it depends for its markets and investments although the relationships were never intended to supplant the existing bilateral ties between any external player and the countries in Southeast Asia. The dialogue partnerships have intended to complement them. But not until 1979 did a specific mechanism come into being to regularize the discussions with the dialogue partners. This was done by

⁴¹ ASEAN charter accessed from the website of ASEAN www.aseansec.org, accessed on 14th July 2011.

⁴² Kripa Sridharan, "India and ASEAN: The Long Road to Dialogue", *The Round Table*, Vol. XXI, No. 340, 1996, p. 466.

convening a Post-Ministerial Conference (PMC) immediately following the Annual Ministerial Meeting. The first PMC was held in Bali in 1979 and ever since then it has become a regular feature. ASEAN's external ties now fall under three categories – Dialogue, Sectoral and Consultative Partners⁴³. Of these only the full dialogue partners participate in the ASEAN PMC while the others have a more circumscribed role.

The combined effects of the systemic changes that followed the collapse of the former Soviet Union leading to the resolution of the Cambodian conflict and the 1991 economic liberalization policy initiated by the Narasimha Rao government in India led to a significant alteration in the India-ASEAN ties. India took a proactive role in publicizing its economic reforms by organizing seminars in the region and inviting foreign investment in the country. The first such seminar was held in Singapore in October 1991 with the aim of attracting the attention of the whole Asia Pacific region⁴⁴. A renewed interest in reviving the process of developing interactions between India and ASEAN came about with India becoming a sectoral dialogue partner of ASEAN in January 1992. This was the first move which both the actors had undertaken in order to reach out to each other in a much more structured and organized manner backed by a coherent body of policies and strategies. Thereafter Indian and ASEAN officials had met in New Delhi in 1993 to identify specific areas of collaboration within the designated sectors such as trade, investment and tourism. The meeting in which the Indian delegation was led by the then Minister of External Affairs Shri Dinesh Singh led to the establishment of the ASEAN-India Joint Sectoral Cooperation Committee (AIJSCC) as the inter-governmental consultative body to coordinate the ASEAN Sectoral Dialogue Relations,

⁴³ *ASEAN Update*. Jakarta: ASEAN Secretariat, July 1994, pp. 15-16.

⁴⁴ n 42, p. 472.

initially in the areas of trade, investment and tourism⁴⁵. The Meeting also agreed to set up an ASEAN New Delhi Committee consisting of the Heads of Diplomatic Missions of ASEAN member countries in New Delhi who would be facilitating ASEAN's Sectoral Dialogue Relations with India and it was also decided that a joint ASEAN-India Business Council would be established which consisting of representatives from the respective private sectors of ASEAN and India⁴⁶. Apart from these, India also agreed to set up a fund under the Indian Technical and Economic Cooperation (ITEC) program for the implementation of projects on areas agreed upon. The significance of this meeting was felt in the later years when the mechanisms which were devised during this meeting served as the pillars of foundation when institutional linkages grew in leaps and bounds. To quote from the joint press release which was published, the leaders of the delegations explained:

...both emphasized the importance and the timeline of the establishment of the ASEAN India Sectoral Dialogue and expressed the sincere intention of the ASEAN and India to further promote cooperation through this relationship⁴⁷

The first meeting of the AIJSCC (ASEAN India Joint Sectoral Cooperation Committee) which was convened in Bali in 1994 (January) had successfully set up two additional sectors on science and technology and during the second meeting which was held in New Delhi in 1995 the ASEAN Secretary General had proposed an ASEAN-India round table conference to fully exploit the opportunities arising out of the ASEAN Free Trade Area

⁴⁵ "Joint Press Release Meeting of ASEAN and India Senior Official on the Establishment of the Sectoral Dialogue Relations Between ASEAN and India", New Delhi, March 16-17, 1993. Accessed from the official website of ASEAN < <http://www.asean.org/2614.htm> > accessed on 14th July 2011.

⁴⁶ Ibid.

⁴⁷ Ibid.

declaration and India's liberalization. In spite of the fact that levels of India ASEAN interactions in the identified areas were not encouraging to say the least⁴⁸, India nevertheless expressed its willingness to be elevated by the ASEAN to the notch of a full dialogue partner. ASEAN in December 1995 upgraded India to the status of a full dialogue partner driven by the probability that there was a lot to be achieved by the South East Asian enterprises in India owing to the latter's vast and continuously increasing middle class population. Her elevation to the status of a full dialogue partner and her partnership in the ASEAN Regional Forum⁴⁹, which would be taken up for detailed discussion in this chapter later entailed greater economic ties. While addressing the ASEAN nations at the beginning of the post ministerial conference in 1995, the then External Affairs Minister of India, Shri I. K. Gujral had opined that the promotion from the status of a sectoral to a full dialogue partnership level was the manifestation of India's Look East destiny. On an optimistic note he had also said that the partnership would be utilized optimally thereby imparting content and meaning to the prophecy of the 21st century being an Asian century⁵⁰. The AIJSCC (ASEAN India Joint Sectoral Cooperation Committee) was eventually disbanded and an ASEAN Joint Cooperation Committee was established which held its first meeting in 1996. The focus in this meeting was upon the already identified areas of trade, investment, science and technology, tourism and on some of the new areas like human resource development, infrastructure and people to

⁴⁸ Noted scholar Kripa Sridharan states in one of her articles (*India and ASEAN: The Long Road to Dialogue*. The Round Table, 1996, Volume – XXI, Number – 340) that, it did appear that despite the institutional linkage provided by the sectoral dialogue partnership and various bilateral initiatives taken by individual countries of the region and India, the two seemed far from being mutually indispensable as economic partners. Other than negligible investments by ASEAN in India, the proposed projects were not followed up to the level it should have been.

⁴⁹ "ASEAN's Dialogue Partner", *Asian Recorder*, January 8-14, 1996, DL-11026/95, Vol. XXXXII, No. 2, p.25332.

⁵⁰ "India for Look East Policy", *Asian Recorder*, August 26 – September 1 1996, DL – 11026/95, Vol. XXXXII, No. 2, p. 25860.

people interaction⁵¹. Although just an elevation to the higher notch of dialogue partnership does not mean an automatic and inevitable mushrooming of economic interactions, it definitely does provide the necessary avenues to initiate and consolidate the same. India's full dialogue status endowed her institutional linkages with Southeast Asia a multidimensional nature. After spending arduous years of diplomatic efforts in convincing the ASEAN nations about the imminent necessity of initiating India into the ASEAN + 1 mechanism, it was finally in 2002 that the first ASEAN India Summit was convened in Phnom Penh and this was regarded as the zenith of India's much discussed and deliberated Look East Policy. Indian Prime Minister Shri Atal Behari Vajpayee had mooted during the meeting the possibility of establishing an ASEAN India Free Trade Area which would inevitably carry forward the existing relations between India and the region to unprecedented heights. One of the leading national dailies of India had reported that, the Prime Minister A.B. Vajpayee had harped on gaining ASEAN's attention so that the present exercise can be enlarged to explore avenues by the creation of an ASEAN-India free trade area in about a decade⁵². The whole range of institutional linkages which were formalized between ASEAN and India since their policy shifts against each other has been a cumulative outcome of the region's desire on the one hand to tap the Indian market and reap the benefits of a vast liberalized economy and an equally willing India to integrate optimally with the most promising region in the immediate neighborhood.

On the other hand, China and her institutional linkages with ASEAN have a largely different rationale altogether. As early as 1991 (July), the Chinese Foreign Minister Qian

⁵¹ "Joint Press Release on the First Meeting of the ASEAN India Joint Cooperation Committee (JCC)", New Delhi, 14-16 November 1996, www.asean.or.id, accessed on 14th July 2011.

⁵² P.S.Suryanarayana, "PM for ASEAN India Free Trade Area", *The Hindu*, New Delhi, November 2, 2002.

Qichen had been invited to the opening session of the 24th ASEAN Ministerial Meeting at Kuala Lumpur as a guest of the Malaysian government where, the foreign minister for the first time had formally expressed China's interest in strengthening cooperation with ASEAN. It was during this meeting that the ASEAN foreign ministers had also exhibited strong indications about their interest in providing China with a dialogue partner status. To quote former Malaysian President, Dr. Mahathir Bin Mohammad:

...there is however the psychological barrier to cross, so let us work together towards more fruitful relations between ourselves and the communist giant in the in the interest of peace and security in the Asia Pacific region...this meeting symbolizes the beginning of the dialogue relations between China and ASEAN⁵³.

Nothing concrete happened during the next two years though China continued to attend these meetings as a consultation partner of ASEAN. It was only in 1993 that the Chinese wish was reciprocated by the visit of the Secretary General of ASEAN which resulted in the signing of two agreements in Beijing setting up two Joint Committees, one for economic and trade cooperation and the other for cooperation in science and technology.

The two sides noted with satisfaction that great progress had been achieved in recent years in the exchanges and cooperation in the political, economic, cultural and other fields between China and ASEAN. This not only accorded with the interests of the peoples of China and ASEAN countries, but has also exerted a positive influence on peace, stability and prosperity in this region. The two sides believed that the present stability and dynamic economic growth of the Asia-Pacific region provides a good opportunity for the development of China and ASEAN and their mutual cooperation, which has a great potential and broad prospect for development. They also expressed

⁵³ "ASEAN Ministers' Meet", *Asian Recorder*, September 16 – 22, 1991, D-©-92, Vol. XXXVIII, No. 38, pp. 21920-21921.

their readiness to make energetic efforts to further intensify friendly relations and cooperation between the two sides⁵⁴.

With an exchange of letters in July 1993, the two sides also agreed to engage in consultations on political and security issues of common concern at the Senior Officials Level. China also joined the ASEAN Regional Forum (ARF) in the year 1994, which would be taken up for specialized discussion later in the chapter. Full Dialogue Partner status was accorded to China in 1996. China has also since then set up various cooperative mechanisms in order to manage and define the framework for cooperation agreed upon by ASEAN and China. In 1997, China and ASEAN announced setting up five parallel mechanisms, one of which is, the ASEAN China Joint Cooperation Committee (ACJCC) – a mechanism which works as a nodal agency to review, approve and facilitate projects of agencies like ASEAN China Senior Officials Consultations, ASEAN China Joint Committee on Economic and Trade Cooperation etc⁵⁵. The first ASEAN China informal summit was held in Kuala Lumpur in 1997, where Chinese President Jiang Zemin stated that the goal of China and ASEAN must be to “become permanent good neighbors, good partners and good friends”⁵⁶. Since the process began in 1997, the ASEAN Plus Three Cooperation which included China, South Korea and Japan has broadened and deepened. Member states of ASEAN and the President of the People's Republic of China expressed satisfaction with the rapidly developing relations between

⁵⁴ *Press Statement Meeting to Explore the Establishment of Consultative Relationship with the People's Republic of China*, Beijing, China, September 13-14, 1993, <<http://www.asean.org/2610.htm>> accessed on 13th July 2011.

⁵⁵ *Joint Press Release the First ASEAN China Joint Cooperation Meeting*, Beijing, February 26-28, 1997, <<http://www.asean.org/2611.htm>> accessed on 13th July, 2011.

⁵⁶ Aileen S.P. Baviera, “China's Relations with South East Asia: political Security and Economic Interests”, Philippine APEC Study Center Network, *PASCN Discussion Paper*, Number 99-17, p. 9.

ASEAN and China as well as between individual ASEAN member states and China. They agreed that the consolidation of these relations served the fundamental interests of their respective peoples as well as the peace, stability and prosperity of the Asia-Pacific region⁵⁷. The nature of the institutional linkages which have developed between ASEAN – India and ASEAN – China would be better appreciated under the light of the bilateral relations between the individual countries of the region and China and India. Since ASEAN, as has already been mentioned is by far a significantly homogeneous voice of the region South East Asia, the institutional linkages have therefore always factored in the way both China and India have related themselves with the individual countries of the region. What we need to analyze therefore under the gamut of political relations existing between the region and India on one side and the region and China on the other, is the nature of the driving force which has worked in establishment of political ties (both institutional linkages and bilateral ties) and thereby the way both the aspiring countries have been perceived by the region.

India and China have also engaged themselves with the region through a number of sub-regional mechanisms. BIMSTEC (Bangladesh-India-Myanmar-Sri Lanka-Thailand Economic Cooperation) was launched in the year 1997 in Bangkok with an agreed upon goal to engage in an integrated cooperative work program to promote economic cooperation and identify areas of strength in each member state. The identified areas were, trade and investment; technology; transportation and communication; energy tourism and fisheries. Thailand which had proposed the idea in 1994 played a key role in

⁵⁷ Joint Statement of the Meeting of Heads of State/Government of the Member States of ASEAN and the President of the People's Republic of China ,Kuala Lumpur, Malaysia, 16 December 1997 < www.asean.org/5476.htm> accessed on 13th July 2011.

initiating the group and in the ministerial meeting each country was entrusted with the responsibility of coordinating a particular identified area for regional cooperation. In 2004 two new countries joined the mechanism raising the membership to seven and the name changed to Bay of Bengal Initiative for Multi Sectoral Technical & Economic Cooperation. By linking SAARC with the ASEAN region, BIMSTEC has effectively connected India to South East Asia through the Myanmar-Thailand land link thus gifting India with a natural gateway into the South East Asian heartland.

With the gradual accession of the conflict ravaged countries like Cambodia (1999), Laos (1997), Myanmar (1997) and Vietnam (1995) in ASEAN, for the first time South East Asia emerged as a unified region – maritime Southeast Asia was joined as a regional entity with land linked South East Asia. Such an expansion had its own share of woes, primary being the diverse rate of development in the original five members of the ASEAN and the late entries. Noted expert P. V. Rao states that, the expansion also resulted in a virtual alteration of the geography of the region since the phenomenon had pushed the boundaries of the region to include India and China⁵⁸ – two of the most influential players in the Asia Pacific. Among a number of factors which run common in the CLMV (Cambodia, Laos, Myanmar and Vietnam) states and India and China are also their river systems. The shared histories and geographical contiguity of these Mekong Basin countries with India and China complemented by the current politico-economic drive of the latter two into dynamic Asia accorded a new strategic value to the Mekong region. For both India and China therefore, Mekong countries provided strategic accessibility to reach the South East Asian heartland.

⁵⁸ P.V.Rao, “Sub-regional Strategies of Cooperation in ASEAN” in K. Raja Reddy (ed.) *India and ASEAN: Foreign Policy Dimensions in the 21st Century*, New Century Publications, New Delhi, 2005, p. 162.

India in November 2000, along with Laos, Cambodia, Myanmar, Thailand and Vietnam formed the Mekong Ganga Cooperation (MGC) and signed the Vientiane Declaration at the Laotian capital of Vientiane. The mechanism sought to promote tourism, human resources, culture and transportation. The basic thrust of the MGC remained economic cooperation of the Mekong countries by developing the infrastructure facilities. Connecting north east India with the MGC nations therefore remains India's top policy priority since it is only by connecting landlocked north east through mechanisms like MGC and BIMSTEC that India can seek to bring some order in its north east and also develop the region.

China, too signed in April 2000 a Mekong sub regional agreement of cooperation combining Laos, Myanmar, Thailand known as Agreement on Commercial navigation on Lacang Mekong River. Chinese Premier Zhu Rongji while addressing the 5th ASEAN China leaders meeting in 2001 declared that the Chinese would make energetic efforts in the development of Mekong river valley and he committed \$5 million for creating navigational facilities in the upper reaches of the river.

Hence the political aspect of the competitive relations which exist between India and China vis-à-vis South East Asia is therefore underlined by an extremely fundamental perception. South East Asia has sought to engage China by connecting with her through a number of ASEAN mechanisms since the region has always remained wary and uncertain about her ulterior designs. India, on the other hand has been engaged purely owing to each other's complementary needs. It is not to be inferred that complementary national interest do not bring China and South East Asia closer, but the factor of threat perception which the region has vis-à-vis China is absent when one considers India instead. The

institutional linkages have been the bedrock underneath the establishment of economic ties between India - South East Asia and China – South East Asia. During my stay in Beijing I had engaged in short interview if Professor Li Anshan (Beijing University) and Dr. Tang Qifang (China Institute of International Studies). They were of the opinion that China's Southeast Asia policy is aimed at deepening economic engagement with the region and that India does not figure as a competitor of China. They also opined that China's Southeast Asia policy was not aimed at countering any external player of the region since China believes in maintaining a peaceful neighbourhood.

The shift which had taken place in the realm of both Chinese as well as Indian foreign policies had a robust economic direction to it. The move towards liberalization was common to both the shifts. On the other hand the dynamic economies of South East Asia had caught the imagination of the Indian as well as the Chinese policy makers. It was a classic case of complementarities when the newly liberalized Indian and Chinese economies were looking for investors and the dynamic economies of the South East Asian region were seeking a large middle class market. It ought to be considered over here that, the category of the dynamic economies of South East Asia does not include the countries of Indo-China since these countries were still struggling with internal strife and related issues and were in a primary stage of economic development. The competitiveness between India and China in the realm of economic diplomacy so far as South East Asia is concerned is lopsided. Trade figures and investment flows between India and South East Asian countries and China and South East Asian countries point out that China is the clear winner (See Tables 3.1 and 3.2).

Table 3.1

Comparison between India and China's total Export to South East Asian Countries, in US million \$⁵⁹

Serial Number	Name of the Country	1990	1995	2000	2006
1.	Malaysia	125.58	355.40	567.93	1211.98
		370.06	1281.10	2565.04	13540.20
2.	Indonesia	92.25	500.69	385.80	1681.06
		370.06	1281.10	2565.04	13540.20
3.	Philippines	21.32	122.33	187.33	364.41
		205.15	1030.15	1464.41	5737.84
4.	Thailand	201.07	461.19	509.98	1491.02
		854.43	1752.28	2243.41	9763.30
5.	Singapore	308.30	806.63	826.00	4439.73
		2015.60	3499.74	5761.32	23188.10
6.	Myanmar	1.43	21.24	48.05	136.88
		277.34	617.85	496.44	934.91
7.	Vietnam	8.26	97.31	208.03	808.78
		1.68	721.75	1537.29	7468.34
8.	Laos	0.07	0.33	5.00	5.79
		14.48	47.77	34.42	168.72

⁵⁹ Trade data obtained from the World Bank's Department of Trade database.

Serial Number	Name of the Country	1990	1995	2000	2006
9.	Cambodia	1.31	1.84	7.90	25.04
		3.01	51.61	164.08	697.68
10.	Brunei	0.27	4.96	2.80	41.33
		8.28	34.48	13.02	99.63
11.	East Timor	--	--	--	--
		--	--	--	2.09

Table 3.2

Comparison of India and China's Import to South East Asian Countries, in US million \$

Serial Number	Name of the Country	1990	1995	2000	2006
1.	Malaysia	545.54	769.71	1388.60	5641.49
		852.17	2065.11	5480.03	23576.70
2.	Indonesia	172.94	383.67	922.35	3588.77
		848.84	2052.71	4402.03	9620.93
3.	Philippines	4.21	14.75	61.30	131.41
		90.28	275.73	1677.41	17676.10
4.	Thailand	62.24	146.24	335.38	2004.22
		385.62	1610.76	4380.19	17961.70
5.	Singapore	689.06	965.77	1481.53	8440.15

Serial Number	Name of the Country	1990	1995	2000	2006
		849.47	3398.18	5059.87	17674.70
6.	Myanmar	90.14	160.46	179.18	610.61
		95.49	149.55	124.82	252.67
7.	Vietnam	59.48	15.35	12.18	147.67
		0.85	332.01	929.10	2485.90
8.	Laos	0.37	0.00	0.00	0.11
		6.44	6.45	6.42	49.64
9.	Cambodia	0.00	28.88	1.03	0.61
		0.18	5.72	59.49	35.09
10.	Brunei	0.02	0.03	0.18	0.98
		0.18	5.72	59.49	35.09
11.	East Timor	--	--	--	--
		--	--	--	0.07

So far as the investment competitiveness between India and China is concerned, the picture once again is the same. On the basis of the data available at the official website of the ASEAN, investments made in the ASEAN region by China far outstrip those of India. (see table 3.3)

Table 3.3

FDI inflow from China and India from 2008-2010 (unit in million US \$)⁶⁰

Years	India (FDI Inflow to ASEAN)	China (FDI Inflow to ASEAN)
2008	547.3	1874.0
2009	826.5	3925.6
2010	2584.3	2701.0

In terms of institutional mechanisms both the countries have achieved more or less parity by setting up joint business councils, and having initiated the proposals for setting up free trade areas, China in 2001 and India in 2002. A number of institutional mechanisms have been put in place to promote economic exchanges. The earlier Joint Trade Committees with the ASEAN countries were upgraded as Joint Business Commissions and the India ASEAN Business Council and the ASEAN India Joint Management Committee were formed. With the signing of the framework agreement on the Free Trade Area between India and ASEAN at the ASEN Economic Ministers Meeting in Brunei in September 2002, there is now a clear institutional framework for operationalizing economic cooperation between them. Once established, this agreement is expected to link India more closely with the South East Asian economies. The aim has been to increase bilateral merchandise trade between ASEAN and India to US\$ 15 billion by 2005 and to US\$ 30

⁶⁰ Data obtained from ASEAN website www.aseansec.org accessed on 13th July 2011.

billion by 2007. The FTA provides for an early harvest program that specifies the areas for collaboration and a common list of items for preferential tariff concessions.

The way China had tried to bail out South East Asia during the 1997 financial crisis has lent China's economic image insurmountable credibility. Nevertheless, China's entry into the WTO in 2001 had created some apprehension in the South East Asian region. The area of concern was that, with China becoming fully integrated to the international economy might attract and thereby suck in the world investment directed towards Asia. The other two reasons which have added to the woes of the region is the large manpower of China and its low wage working conditions. In order to assuage the regional apprehensions about China's entry into the WTO, at the 3rd ASEAN China Joint Committee on Trade and Economic Cooperation, in March 2001 in Kula Lumpur, the ASEAN China expert group on Economic Cooperation was established to study two issues: the impact of China's entry into the WTO and the future of bilateral economic cooperation, including the proposal of the free trade area. In November 2001 both the parties had agreed to set up a free trade area by 2010. It can be inferred that, China has an inevitable edge over India when it comes to economic aspect of their respective relations with the region owing to China's greater economic prowess compared to that of India.

Defense ties:

Although the understanding of security has undergone a major shift since the end of the cold war in theoretical terms as well as in terms of implication nevertheless, nation states still securitize themselves in face of threat perceptions by following the traditional path of building ones capability against a probable. South East Asia being one of the most

important theaters during the heydays of cold war still remains a significant geopolitical region for external players. Super power rivalry had been one of the chief determinants in South East Asia's relations with major Asian players during the cold war. The end of the cold war brought a defacto end to super-power rivalry. Since the end of bipolarity had made way for a roughly multipolar world order, aspiring 'super-powers' started playing consequential roles. Countries which fell in this category and had significant bearing upon Southeast Asian security were undoubtedly India and China. During the cold war these three actors, the Southeast Asian region, India and China were sucked into the vortex of ideological rivalry to such an extent that relations froze between some countries of Southeast Asia and India and the same happened with China. The collapse of erstwhile Soviet Union put relations on a new canvas. This opportunity to recast ties coincided with certain foreign policy shifts which had taken place in India and China. We have already discussed at length the basic shifts and their political manifestations vis-à-vis Southeast Asia earlier. This sub-section would look into the military aspect of the competitive relations that India and China are engaged into in the region of South East Asia.

The defense/military ties that Southeast Asia has developed with India and China on bilateral basis and also through the institutional mechanism of the ASEAN Regional Forum (ARF) would be taken up for discussion in this sub-section. To start with the region's perceptions regarding China; one of the primary factors which have shaped the perception is China's meteoric rise in terms of economic growth and commensurate military buildup. China's ever increasing defense budget since the end of the cold war had led a number of observers to believe that her defense overhaul is irrelevant if not

aimed for effective power projection in certain areas⁶¹. China's military modernization, burgeoning defense budget allocation each year coincided with the withdrawal of US and Soviet bases from Southeast Asia. The concern evident in the early and the mid 1990s about China's military buildup and blue water ambitions had been overshadowed by local security issues, including the Asian financial crisis, intra ASEAN tensions and terrorism. A July 2002 Pentagon Report noted that, "the long term concerns regarding China's power projection capabilities remain since, forces that China have developed against Taiwan can be used against other Asian states such as Philippines"⁶². In the mid 1990s China's policies and stance regarding the disputed Spratly Islands provided strong evidence of the threat perception against China. Amitav Acharya in his report states that, analysts remain divided over Chinese power projection into South China Sea. While some argue that China has the capability to take over South China Sea Islands any time, others argue that while a limited harassment of ASEAN by sea and air is possible, China's ability to prevail is questionable⁶³.

China's efforts to construct strategic inroads leading to the Southeast Asian heartland by cultivating the Myanmar junta by the means of following a 'no strings attached policy' has also provided considerable input to Southeast Asia's threat perception against China. Myanmar has been showered with military hardware, arms production facilities, training programs and Chinese military personnel to train and operate sophisticated electronic communication and surveillance equipment etc. thereby trying to buy her way

⁶¹ Amitav Acharya, *Seeking Security in the Dragon's Shadow: China and South East Asia in the Emerging Asian Order*, Singapore: Institute of Defense and Strategic Studies, March 2003, Working paper Number 44, p.12.

⁶² *Pentagon Warns of China Threat*, CNN, July 17, 2002
www.cnn.com/2002/WORLD/asiapcf/east/07/13/china.taiwan/ accessed on 13th July 2011.

⁶³ n 61, p.15.

to the strategic heartland. These policies are undoubtedly taken note of by the wary Southeast Asian minds, along with China's middle kingdom mentality.

As for India, Shankari Sundaranman states in one of her works that the naval build up by India in 1980s, reports which were doing rounds thereafter of India planning to develop Nicobar as a major naval base and Pokhran II of 1998 have instrumentally shaped the way India is perceived by Southeast Asia⁶⁴. However India's accession to the Treaty of Amity and Cooperation (TAC)⁶⁵ which was later extended by India thereby underlining that both India and ASEAN strived for a peaceful region had helped allay any fear regarding India's designs in her neighbourhood. India's non-hegemonic image in Southeast Asia therefore was maintained. According to a former India Foreign Secretary who was closely associated with the process

Our accession to the treaty is an additional step forward in the implementation of our "Look East" policy. It is reflective of our desire for fostering closer cooperation with ASEAN as well as our determination to cooperate in the maintenance in the peace and stability in Southeast Asia⁶⁶

In spite of India's defacto entry into the nuclear club after the 1998 tests, India had expressed her willingness to endorse the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ) concept. It has facilitated better understanding of India's security needs by

⁶⁴ Shankari Sundaraman, *Politics and Security of Southeast Asia: Prospects for India-ASEAN Cooperation*, *International Studies*, Vol. 41, No. 4, 2004, p. 376.

⁶⁵ The Treaty of Amity and Cooperation in Southeast Asia is a peace treaty among Southeast Asian countries established by the founding members of the Association of Southeast Asian Nations (ASEAN). On February 24, 1976, the treaty was signed into force by the then-leaders of the original members of ASEAN. Other members acceded to it upon or before joining the bloc. China was the first country, followed by India, outside ASEAN to sign the treaty. The purpose of the Treaty is to promote perpetual peace, everlasting amity and cooperation among the people of Southeast Asia which would contribute to their strength, solidarity, and closer relationship. In their relations with one another, the High Contracting Parties shall be guided by the following fundamental principles

⁶⁶ Kanwal Sibal's Statement, *Indian Express*, New Delhi, October 9, 2003.

ASEAN⁶⁷. However immediate reactions from countries like Malaysia were severe after the conduct of the underground tests. The Foreign Minister of Malaysia was quoted as stating that,

...the action of India is a serious setback to the region free of nuclear weapons and undermines the efforts of the international community towards attaining a complete ban on nuclear testing...⁶⁸

It is from these perceptions that the defense ties between the region and India and China can be explained. Defense relations between China and countries like Malaysia, Philippines, Indonesia, Singapore and Thailand have remained more or less rudimentary. Proposed activities are aimed at confidence building and transparency, rather than cooperation against common threats. Security relations with Vietnam have improved since the two countries reached border agreements on the delimitation of the Tonkin Gulf. Recent joint statements involving China and Singapore, China and Philippines have included proposals for defense exchanges. In the case of the former, the range of proposed activities include exchange of high level visits, dialogue between defense institutions, cooperation between their strategic security research institutes and exchanges between professional groups of armed forces etc. on the other hand India has been engaging herself regularly in joint military exercises, signing of defense agreements as well as undertaking training exercises etc. with Myanmar, Singapore, Philippines etc. South East Asia has been practicing an active policy of constructive engagement vis-à-vis China primarily because of two very significant compulsions viz. threat perception regarding China and China's burgeoning economic prowess. By following a policy of

⁶⁷ ASEAN More Aware of India's Concerns, *Asian Recorder*, August 20-26, 1998, DL-11026/98, Vol. XXXIV, No. 34, p.27517.

⁶⁸ Serious Setback, *Asian Recorder*, June 18-24, 1998, DL-11026/98, Vol. XXXIV, No. 25, p.27365.

engagement Southeast Asia not only keeps China involved but also successfully utilizes her economic potential. Southeast Asia has tried to engage China by inviting her to be a part of the ARF and by inviting countries like India in the ARF too since in this case India is regarded as a balancer against China. Scholars have been of the opinion that ASEAN policy of peaceful incorporation of China into a system of regional order was a leitmotif for the launching of the ARF. China's involvement in the ASEAN led ARF is a key indicator to its strategic approach to Asia Pacific. China continues to oppose the institutional development of the ARF out of a fear that it would compromise the norms of sovereignty and non-interference since ARF works on the principle of consensual understanding. It has successfully opposed the extension of the ARF's role in preventive diplomacy in intrastate conflicts. China argues that ARF should remain a forum for consultations, confidence building and dialogue rather than mediation and problem solving. The military aspect of the competitive relationship between India and China vis-à-vis South East Asia is hence determined largely by the threat perception that the region bears against China which thereby makes the region perceive India as a balance.

Conclusion:

Owing to a number of factors which have been discussed at length at the outset of this chapter, India and China invariably finds each other in a competitive relationship in a number of areas, South East Asia being one of them. However, Sino Indian relations since 1988 have witnessed positive trends and it is since then that the leadership of both the countries have shown interest in establishing cooperative ties with each other by putting the issue of territorial dispute at the backseat. In spite of it, relations between China and India have been competitive in nature in a number of theaters mainly owing to

the identical nature of their national interests. Both India and China have trying to garner similar benefits from regions like South East Asia. Hence, considering the three chosen aspects of the competitive relationship between India and China in the South East Asian region, it can be inferred that, China has an edge over India owing to her relative power position. Although Indian designs and motives over the region do not invoke any threat perception in the South East Asian minds the way it does when the region comes to think of Chinese designs and motives China has a better stake in the region. Threat perception relating to China has precisely been the reason why China has been ‘contained’ by the region through a policy of continuous engagement. The policy of engagement followed by the region vis-à-vis China in turn fuels the competitive relationship between India and China in the region. It is the relative power position of China when compared with India which explains China’s greater influence over the region. It is evident that China’s level and scale of political, economic and military engagement with Southeast Asia is greater than that of India because of their relative power position and India’s early reticence to integrate with the ASEAN states due to cold war complications and the imperatives of non-alignment. The degree of difference in their influence has declined perceptibly because Southeast Asia as a region wants to engage China for economic benefits and also wants to engage India in order to balance China. Although both China and India have developed a multifaceted engagement policy vis-à-vis Southeast Asia, it remains as an area of competition between China and India. Thus, the pattern of Sino-Indian engagement in the Southeast Asian theater showcases aspirations of both China and India to be regarded as a regional power in the post cold war era which inevitably has led and will lead to a competitive relationship.

Chapter 4

China and India: Striving for Greater Influence over Africa

Introduction:

Emergence of countries like India and China, during the post cold war era, as significant players of world politics had simultaneously stirred the imaginations of the academic and the diplomatic communities across the globe. While the academic community tried to explain the behaviour of these countries and its impact on the international order, the diplomatic community pondered over policy preparedness. Though this new bracket of potential superpowers did not comprise only of India and China, yet, this dissertation attempts to limit its analysis to the fundamental contours of their bilateral engagement only, and that to, in context of certain select theatres. The rationale behind choosing to analyse the nature of Sino Indian engagement have already been elaborated upon. Since this dissertation is theoretically premised in the Neorealist school of International Relations theory, the nature of engagement between China and India in three different theatres has been looked at from the structural point of view. This dissertation primarily argues that it is the position of India and China in the world order or it is their structural characteristics which determine their behaviour with other countries. Position of a country in the international order is a function of its national power and national power being a variable quantity each country is differently placed, thus forming a structure. Kenneth Waltz says in *Theory of International Politics* (1979) that:

International political systems, like economic markets, are formed by the coactions of self regarding units. International structures are defined in terms of the primary political units of an era, be they city states, empires or nations. Structures emerge from the coexistence of states. No states intend to participate in the formation of a structure by which it and others will be constrained. International political systems, like economic markets, are individualist in origin, spontaneously generated and unintended. In both systems, structures are formed by the coactions of their units¹.

Neorealists explain international relations from the vantage point of this structure and moves on saying that international order is anarchic, there is no authority to control the behaviour of one state towards the other; nevertheless their behaviours are constrained by the structure. Every state relentlessly attempts to fulfil its national interest by augmenting its national power so that their position in the international order ascends. The aim therefore, of any state is to enhance one's national power thereby gaining relative power in comparison to the other states.

As already mentioned, this dissertation therefore tries to posit that it is the respective position of India and China in the structure of international order that determines their nature of engagement with each other and with the theatre in question. The theatres which have been chosen as case studies are South East Asia (which has been covered in chapter 3), Africa and Central Asia respectively. This chapter delves into the African theatre. Before we move on to the multifaceted discussion regarding India and China's engagement with the Africa, we ought to explain the rationale behind choosing Africa as one of the theatres.

¹ Kenneth Waltz, *Theory of International Politics*. New York: Mc Graw Hill, 1979. p. 91.

Why Africa?

India and China's relations with Africa dates back to the mid twentieth century, in case of India, even earlier. The notion of Afro-Asian resurgence had brought the three players: African countries, India and the People's Republic of China together in the Bandung meet of 1955² and the Afro-Asian People's Solidarity Conference in 1958 (Cairo). India and China's association with Africa thus began revolving around the ideas of Afro Asian liberation thereby instilling a sense of fraternity among them. A sense of identity began shaping both India and China's policies vis-a-vis the African countries since then. Although, discordant issues like passing of NAM leadership from India to the African countries since early 1960s, African discontent regarding the pacifist Indian line of attaining liberation from colonial rule and the pro-China stand adopted by the African countries during the 1962 India-China war, the spirit of Afro-Asian resurgence had brought together the African countries and the newly independent Asian countries (India and China) closer. It is this particular phase of Indo-African and Sino-African foreign relations that make Africa a relevant theatre to discuss Sino Indian engagement in the post cold war phase. The sense of solidarity which had brought together these distant countries together during the tumultuous phase of cold war makes any study regarding their present day dynamics, an engaging one. In the words of Timothy M. Shaw, Indian and Chinese support during the Afro-Asian resurgence phase was "*a function of ideology*", whereas today, "*their interests are motivated by geo-economics, especially in*

² The summit was attended by India, Indonesia, Egypt, Yugoslavia etc. in the Indonesian city of Bandung where the idea of Non Alignment Movement was born and given shape.

terms of resources”³. The other factor which makes selection of Africa as one of the theatres is the fact that, with the end of cold war Africa began replacing the West with countries like India and China as ‘partners’ of development. Africa began emulating the development experiences of India and China realising that these countries shared similar experiences like that of the African countries and were therefore in a position to truly empathise with Africa. India and China had clearly spelt out their respective Africa strategies after the end of cold war. Despite the fact that both India and China were regarded as potential players of the new world order they still kept the tag of developing countries. This made the African countries accept them as preferred partners. This happened because, both the countries made substantial progress, socially and economically within a relatively short span of few decades under the aegis of a strong state. Their Africa policies respectively did not attempt to impose any conditionality upon the African states which made the African societies trust the rhetoric of equality. Chairman Wu Banguo of the standing Committee of the National People’s Congress of China, while delivering the inaugural speech at the China-Africa Business Cooperation meet held in Cairo (Egypt) in 2006 said,

China is the largest developing nation in the world. Africa is home to the largest concentration of developing nations in the world. Similarities in historical experiences, similar development tasks, and broad common interests closely link the Chinese people and the people of Africa. Always understanding each other and supporting each other, we have developed a rare valuable friendship. We are pleased to see that through both sides' hard work, China-Africa friendship has withstood the test of time,

³ Timothy M. Shaw, “India and South Africa: What International Relations in the Second Decade of the Twenty-first Century?” in Fantu Cheru and Cyril Obi (eds.) *The Rise of China and India in Africa: Challenges, Opportunities and Critical Interventions*, Zed Books, London, 2010. p. 14.

at the same time continuously infusing itself with new content and bursting with life and vitality. Facts prove that China and Africa are good brothers who are sincere in their dealings with each other, good partners in all-round cooperation, and good friends that help each other...

China adheres to the five principles of peaceful coexistence, respects the diversity of cultures, and promotes the democratization of international relations. China advocates respecting the development paths chosen by the various countries independently on their own and the domestic and foreign policies that they have formulated. We emphasize that large countries should respect small countries, that powerful countries should support weak countries, and that rich countries should help poor countries. There has been growing consultation and coordination in international affairs between China and Africa as they work together to protect the rights and interests of developing countries⁴.

The above speech underlines the fundamental tenets of China's policy approach towards Africa. It begins by putting itself and the African countries within the bracket of developing countries and goes further elaborating upon the identical nature of their histories and their future goals, thus striking a chord of unmistakable identity. China's regard for Africa as an equal partner is evident from the speech as well.

India's ambassador to Zimbabwe Ajit Kumar, while pledging India's support towards the capacity building initiative towards the Sub-Saharan African region said:

India would continue helping Africa exploit its vast natural resources, in a manner that would benefit both India and Africa... It is testimony to the fact that

⁴ Full text of "Wu Banguo's Cairo speech on China Africa Cooperation", *BBC Monitoring Asia Pacific*, May 27th, 2007. Accessed from <http://search.proquest.com/professional/docview/460910411?accountid=160472>.

both India and Africa have realized that they have much to offer each other and are natural partners in their common struggle against backwardness and poverty... India had excellent relations with African countries in various spheres such as commercial, economic, political and defence, with the country having assisted a number of African countries in the fight against colonialism and apartheid... India would continue helping Africa exploit its vast natural resources, in a manner that would benefit both India and Africa⁵.

In all likeness with the speech of Wu Banguo, Ambassador Kumar's speech also touches the cornerstones of India's Africa policy. The speech underlines the complementary nature of present day Indo-African ties. It also clearly reflects that, India's post cold war Africa policy rests on the spirit of solidarity that defined their ties during the colonial period in Africa and acknowledges the identical nature of impediments that India and Africa need to overcome. It is precisely this factor of acknowledging identity of condition with the African countries, promising relationship on terms of mutual respect and equality and prescribing policies respectful of African ways that have contributed towards replacing the West with the Asian countries as partners of development. In the words the President of Tanzania, Jakaya M. Kikwete, "*China and India should not be viewed as competitors or clients, but as contributors to Africa's development...*" and that they ought to be viewed as models for Africa because their experiences hold lessons for developing countries on how to manage gradual economic and political transformation⁶.

⁵ "India supports Sub-Saharan Africa over capacity building", *Xinhua News Agency*, November 26th, 2004. Accessed from <http://search.proquest.com/professional/docview/452866261?accountid=160472>

⁶ "China, India imply opportunities for Africa", *Xinhua News Agency*, June 1st, 2006. Accessed from <http://search.proquest.com/professional/docview/452543569?accountid=160472>

China, after the 1978 party congress and India, since the economic reforms of 1991 have prioritised economic progress over and above other goals. In order to keep the growth engine running in full throttle both the countries have developed an inevitable requirement and insatiable appetite for energy and raw materials. The traditional oil supplies from the troubled Middle East having already been monopolised by the western powers, emerging / growing economies of China and India sought entry in Africa for securing their energy demands. Twenty first century Sino-Indian engagement hence, hinges upon the issue of attaining energy security as consumption of energy by the two countries is poised to take a quantum leap in the 21st century. As Cyril Obi observes:

Given that China and India are both ‘newcomers’ to the African oil scene, their calculations and strategies for gaining entry, partnering with African petro-states, and competing as well as cooperating with each other in various African oil producing countries go a long way to shaping the nature and outcomes of the China-India-Africa triad whose ramifications will in turn go a long way to contributing to Africa’s fortunes in the present and future⁷.

Thus, the selection of Africa, in order to study the trends of Sino-Indian engagement becomes a natural one.

Africa comprises of mostly underdeveloped and developing countries mired with unequal social development, lack of stable politico-economic institutions, abysmally low levels of entitlement to basic amenities etc. Thus, the continent presents before a researcher a motley group of states ranging across a wide spectrum of governance. Chris Alden brilliantly categorises these diverse societies as: *pariah regimes* (example:

⁷ n 3, p.181.

Sudan, Zimbabwe), *illiberal regimes and weak democracies* (example: Sierra Leone, Liberia, Senegal, Tanzania) and finally *democracies with diversified economies*⁸ (example: South Africa, Namibia, Botswana). Thus Africa poses an intrinsic challenge to any country interested to have a substantial stake in the continent to design policy/policies which would encompass the requirement and uniqueness of this wide range of regimes. An attempt therefore, to discuss Sino- Indian engagement in Africa with its diverse societies becomes an engaging one. These factors combine to make the selection of Africa as one of the theatres an inevitable and natural one.

Having established the rationale behind choosing Africa, the next sections will focus on the various facets of India and China's engagement with Africa during the post cold war phase.

Indo-African Ties and Sino-African Ties during Cold War

India's Africa connection has an illustrious name to begin with. Mohandas Karamchand Gandhi, a young Indian lawyer based in South Africa had given shape to his political doctrine of *Satyagraha* on witnessing the discriminatory practices of the British colonisers there. Thus, independent India was born with an abiding influence of non-violent nationalist ethos, vehemently opposed to the imperialist practices of racism, cultural hegemony and all other forms of foreign domination. An intrinsic sense of identity was therefore established with the Africans from a very early stage. Jawaharlal Nehru who is regarded as the chief architect of independent India's foreign policy, while describing what he felt about the plight of the colonised Africans, had said way back in

⁸ Chris Alden, *China in Africa*, Zed Books, London, 2007, p. 59.

1928 at the Calcutta Session of the Indian national Congress that, *“listening to their harrowing tales of sufferings and their present unhappy conditions, one felt that obstacles in their way were far greater than any other countries, struggling peoples’ had to face and that full freedom would come to them only with the emancipation of all peoples of the world”*⁹. Independent India’s Africa policy can be best described by saying that it was based on decolonisation of the African states and bringing an end to the discriminatory racial practices of the white minority government of South Africa. This together gave birth to the idea of Afro-Asian resurgence which became the watchword of the newly independent countries of Asia and the countries of Africa who were embroiled in their respective nationalist movements. The Bandung Conference of 1955 which was the precursor to the establishment of the Non Aligned Movement and the Afro-Asian Peoples Solidarity Conference held in Cairo in 1958 reflected the African and Indian perception towards each other. Nehru being one of the frontrunners of NAM had successfully contextualised the African plight thereby drawing in support from some of the African countries like Egypt and Ghana. Anti-racism and anti-colonialism featured prominently in the agenda of NAM which successfully brought Africa and India closer. India’s stand in the African liberation movements also formed an important component of her Africa policy. With the end of 1950s, Indo-African relations took an unpleasant turn chiefly because of two reasons. Their opinions clashed over the passing of the reins NAM leadership from India to Nkrumah of Ghana and the Africans could no more see wisdom in India’s advocacy of adopting peaceful constitutional methods to oust the colonisers. India’s support towards the nationalist

⁹ Ajay K. Dubey, “India-Africa Relations: Historical Connections and Recent Trends” in Ajay K. Dubey (ed.) *Trends in Indo-Africa Relations*, Manas Publications, New Delhi, 2010. p.17

struggles seemed hollow to the Africans. They were rather more attracted towards the call for militancy and armed struggle against the colonial rulers as advocated by China. Complete differences in the African and Indian points of view was evident when Indian Prime Minister Lal Bahadur Shastri, at the 1964 Cairo conference of NAM said, “*First and foremost we believe in peace, in the settlement of all disputes with peaceful means...*” and Ghanaian President Kwame Nkrumah countered saying, “*...as long as oppressed classes exist, there can be no such thing as peaceful coexistence between opposing ideologies*”¹⁰. Even before the Cairo summit, Africa’s perception towards India was clearly visible when most of the African countries took a pro Chinese position during the 1962 Indo China war. India got diplomatic support only from Congo, Ethiopia, Liberia and Nigeria. These were the circumstances under which India’s Africa policy went for an overhaul since the beginning of the 1970s. Indian foreign policy during this phase was pushed to combine idealism with a commensurate measure of pragmatism. West oriented development came to be questioned by both Africa and India which led India to initiate economic ventures in Africa under the rubric of South-South cooperation. Not only was its imperative underlined in the Lusaka summit of NAM in 1970 but India and Africa came along in the G77¹¹ to put forth the demand for NIEO (New International Economic Order) citing the unjust and unequal terms of trade which existed between the North and the South. The decade of 1970s put India in a higher pedestal in the eyes of the African countries because of the diplomatic

¹⁰ Ibid. p. 20.

¹¹ Group of 77 is an international forum of developing countries which was formed to voice the demands of the developing countries as against those of the developed countries.

successes¹² India achieved. India started utilising all the international forums (UNO, NAM, G77) for creating and cultivating economic links. Indira Gandhi, the then Prime Minister of India during the Lusaka and Algiers NAM conferences made it evident to the African countries that, establishing economic channels of interaction between India and Africa remained the chief feature of India's Africa policy and such interactions would be carried out with an unmistakable spirit of equality and respect for each other. India helped Africa pass resolutions against the apartheid regime of South Africa, utilised UNO to force South Africa liberate Namibia¹³ etc. other than supporting the liberation struggles diplomatically through the international forums India also provided financial and material assistance to the liberation movements¹⁴. Although, India herself was undergoing a difficult phase of nation building during this period, nevertheless, she continued with her all round support towards the African liberation movements. The other pillar of strength in India's Africa policy during these years was the Indian Diaspora settled in Anglophone Africa. Prime Minister Jawaharlal Nehru's visit to Africa in 1963-64 brought the large number of People of Indian Origin (PIO) in Africa within the folds of Indian diplomacy. Mrs. Gandhi had described them as "*ambassadors of India*" which was in stark contrast with the position of Prime Minister Nehru who insisted on disassociating the PIOs from policy considerations of India.

¹² India succeeded in the Bangladesh Liberation War of 1971 against the combined might of Pakistan, China and USA; India had signed the Indo-Soviet Friendship Treaty in 1971; India successfully test fired its first nuclear device in 1974.

¹³ In 1977 India and the Afro Asian countries lobbied hard in the UNO and compelled the UN Security Council adopt a resolution on a mandatory armed embargo against South Africa. In 1982 India proposed a global meet on Namibia to force South Africa to free it and it was adopted by 130-0 votes in the UNO.

¹⁴ In 1969 India had spent around Rs.1.2 million to assist the African liberation movement which shot up to Rs. 5 million in 1977. India provided the African National Congress and the South West African Peoples' Fund for Namibia, UN Educational & Training Programme for South Africa etc.

This phase of India's approach towards Africa came with a particular brand of proactive diplomacy. India did not lose time in deploring the attack of the US bombers on Libya in 1986. A major trait of India's Africa policy was bestowing awards to world leaders which came to be referred later on as 'award diplomacy'. Most of the prominent African leaders and statesmen were decorated by the Indian government with Bharat Ratna, the highest civilian award during their visits¹⁵. Frequent state visits and ministerial visits to various African countries assumed priority during this phase. India's enthusiastic participation in the UN backed peacekeeping operations also contributed towards projecting an all round Africa policy. Barring a short period of discordant relations during the decade of the 1960s, India and Africa have shared a fair level of understanding with each other and it is this substantial pool of goodwill which has presumable helped them build relations on firmer grounds since the end of the cold war.

Zhou Enlai, during his 1965 Tanzania tour, according to New China News Agency (June 5th, 1965), had said, "*...my colleagues and I do not find ourselves in strange land. Intercourse between our countries dated back to nine hundred years ago. Some five hundred years ago Chinese navigator Zheng Ho reached East African coasts*¹⁶". Forty four years later, in 2009, President Hu Jintao, upon his visit to the same African nation was quoted as saying that, "*everytime I come, it's like coming back home...*¹⁷". Invoking historical connections with China is atypical of Chinese diplomats and heads of state. Deploying historical references to account for present day dynamics is a common Chinese diplomatic practice. Chris Alden describes China Africa relations

¹⁵ Julius Nyerere in 1973, Keneth Kuanda in 1974, L. Senghor in 1982 etc.

¹⁶ Ian Taylor, *China and Africa: Engagement and Compromise*. Routledge: New York, 2006. p. 16

¹⁷ Sarah Raine, *China's African Challenges*. Routledge: New York, 2009. p. 14

to be ‘episodic’ in nature although it had established official diplomatic ties with Egypt way back in 1956. Sarah Raine is of the opinion that, China did not have any policy towards Africa earlier than 1949. Nevertheless, archaeological discoveries comprising of Chinese coins and porcelain fragments dating back to the Sung Dynasty (960-1279) have been unearthed in parts of present day Zanzibar and Zimbabwe. However, feats accomplished by the famed Chinese general Zheng Ho, dating back to the time of the Ming Dynasty (1368-1644), garners most of the historical adulation¹⁸. Immediately after the establishment of the People’s Republic of China in 1949, priority was accorded to consolidating the borders of PRC and achieving legitimacy for the communist party’s rule throughout China. *Panchasheela* or the Five Principles of Peaceful Coexistence¹⁹, a foreign policy guideline adopted by China vis-a-vis its relations with India in the year 1954 became the first bedrock of China’s Africa policy in the immediate years. This happened when twenty nine African countries attending the Bandung Conference of 1955 embraced these set of principles as the prime shaper of Sino-African relations. China’s policies towards Africa during that period were based on the notion of Afro-Asian solidarity against imperialist control. China’s offer of providing military, financial and political support to the liberation struggles was readily welcomed by Africa. Even during this period, China insisted on providing material support free of any conditions. At the eighth national Congress of the Communist Party, Mao Ze Dong had declared, “*We must render active support to the movements for national independence of the*

¹⁸ It is said that the admiral made seven voyages between 1416 and 1423, two of which reached the East African coast. Zheng Ho had brought with him Chinese commodities (silk and porcelain) to conduct commerce with the local people. Historical remains of these journeys are said to have been found in Kenya, Tanzania, Madagascar, Zimbabwe and South Africa.

¹⁹ Five Principles of Peaceful Coexistence called for countries to show mutual respect for sovereignty, non-aggression, non-interference, equality and mutual benefit and peaceful coexistence.

*various countries in Asia, Africa and Latin America*²⁰”. Immediately after the Afro Asian People’s Solidarity Conference in 1957, China established the China-African People’s Friendship Association in 1960. The rationale which drove China’s Africa policy during this phase was establishing diplomatic partnership with maximum number of African states in return for providing immediate diplomatic recognition to newly independent states of Africa on the basis of the five principles irrespective of the ideological orientation of the country. The first breakthrough happened with Egypt in 1956. China during this phase was also battling recognition as against Taiwan, aiming to replace the latter at the United Nations. With the imminent deterioration of ties between China and USSR which reached its culmination in 1969 over border clashes, China began including Soviet Union within the category of imperialist nations seeking hegemony over the weaker countries of the world. In the domestic front, Mao’s Cultural Revolution brought an abrupt end to the slow but steady consolidation of Chinese foreign policy in Africa. Though countries like Burundi, Ghana and the Central African Republic had suspended diplomatic ties with China, it is not to be understood that relations between the two sides came to a standstill. Tanzania, Guinea, Zambia etc. continued with their official visits to China. This gesture was manifested in the 1971 at the 26th UN General Assembly meet where People’s Republic of China replaced Taiwan successfully in the UN Security Council as one of the permanent members. This event happens to have ushered China into one of her fervent claims of providing third world leadership to the underdeveloped and developing countries across the globe against the handful developed countries led by superpowers. The claims of third world leadership got

²⁰ “The Second Upsurge in the Establishment of Diplomatic Relations”, Ministry of Foreign Affairs, People’s Republic of China, 17 November, 2000. Accessed from: <http://www.fmprc.gov.cn/eng/ziliao/3602/t18056.htm>.

further crystallized with Mao's pronouncements of the three worlds' theory wherein he said that, the US and USSR together formed the exploitative and imperialist *first world*, their allies in the other developed countries comprised the *second world* and all of Africa, Latin America and Asia (barring Japan) was the *third world*. China continued with its aid policy in Africa thereby gaining a substantial foothold in the continent. Statistics say that during the period of 1950 and 1980, eight hundred diverse projects in Africa received Chinese aid, often giving tough competition to the US and Soviet aid efforts²¹.

The next event which changed China for ever giving her a complete reorientation in terms of nation building and world outlook happened at the 1978 Party Congress where Deng Xiao Ping who succeeded Mao introduced reforms under the Four Modernisation Programme. The extensive economic reforms which were proposed and passed at the party congress attracted worldwide attention under the label of *Socialism with Chinese Characteristics*. All the policies converged, under the leadership of Deng to bring about economic modernisation in China, uplifting the living standards of the common people and weeding out the 'class-enemy prejudices' which had taken deep roots in the Chinese psyche. Consequently, China's policies towards Africa suffered a slow down during this phase. Ian Taylor labels this phase as a *decade of neglect*. Hence, the strategy of expensive aid and asymmetric engagements were replaced with small investments, collaborative projects etc. Thus, China's Africa policy since 1949 can be categorised into phases, each endowed with its own watchword, like, Afro-Asian solidarity followed by the claims of third world leadership and finally, the strategy of

²¹ n 17. p.20.

mutual benefit. It can therefore be rightfully said that China's Africa policy has been episodic in nature since there were periods of slowdown and inactivity between China and Africa. Nonetheless, solidarity exhibited by both China and India towards African struggles of liberation, establishment of identity between the plight of Asia and Africa and finally desisting from extracting resources ruthlessly from the resource rich regions of Africa have resulted in a fair level of faith on Chinese and Indian future endeavours. The next section of the chapter would discuss the various facets of China and India's engagement with Africa since the end of the cold war thereby highlighting the primary trends which characterise their relations.

Sino-Indian Engagement in Africa since the End of Cold War:

China and India's engagement with Africa is multifaceted. Before we delve into some of the political, economic and defence aspects of their engagement, we ought to establish why and how Africa acquired a position of priority in Chinese and Indian foreign policy decision making, since the end of the cold war. Africa's position ascended as a result of the combination of two factors: the domestic changes which were evident amongst the African countries and the changes which occurred in the international realm. An increasing enthusiasm was noticed among the African countries towards incorporating democratic practices and institutions within their political systems during the 1990s. Nearly two thirds of the African countries had successfully conducted multiparty elections and around 24 countries had become signatories of the African Peer Review

Mechanism²². A substantial number of African countries were steadily and fast embracing the values of democratic and good governance. This had positively led to an increased confidence about Africa's political stability in countries which were seeking newer markets and resource fields. Commensurate changes were noticeable in their economic revival as well. According to IMF data, roughly about twenty countries had recorded an average growth rate of 5% and few had recorded double digit growth rates owing to major oil discoveries and shooting price of crude oil in the international market. Acknowledging attaining economic growth to be the panacea of overcoming menaces of poverty, hunger and social depravation led these countries adopt domestic measures which resulted in such noticeable growth figures. Private sector was accorded its position of significance, economic deregulation and liberalisation were carried out; financial and monetary stabilisation; liberalisation of foreign exchange regulations and currency depreciation etc. were brought about with aplomb. All these made Africa exude confidence which went very well noted by countries like India and China. Hence, Africa became both a stable resource hotspot and a lucrative market destination for India and China. Along with these factors, one also has to take note of the international incidents which altered the priorities and choices of India and China which together led to Africa becoming a natural and inevitable foreign policy priority.

The collapse of the Soviet Union leading to the end of the cold war ushered in an era of multipolarity which provided countries like India and China a pedestal in the international order. This pedestal of 'potential superpowers' instilled amongst these

²² APRM is a unique mechanism under which the signatory countries agree to let a panel of 'Wise Men' benchmark their performances against four broad parameters and ninety one specific parameters of democracy and good governance.

countries a desire to carve out a significant position in the international order. This being their common interest, both India and China concentrated on enhancing national power. Since, both China and India had already set forth their economic reform processes respectively in 1978 and 1990, search for market and stable sources of raw materials assumed undoubted priority. This is how Africa came to assume a position of priority in Indian and Chinese foreign policy since the end of the cold war. India and China also perceived amongst the African countries a huge and effective group of countries which could become an important platform against the hegemony of the West. Although this feeling of solidarity between the African countries and India / China was not unique to this period, its appeal lay in the fact that both India and China could showcase their influence over this large group of countries in various international forums thereby providing credibility to their stature as potential superpowers. Hence, these are the factors which gave Africa a position of priority in Chinese and Indian foreign policy since the end of cold war.

One also has to take note of the incidents of June 4th, 1989 which invited worldwide condemnation of the Chinese government because of the actions taken against peaceful student demonstrators demanding transparency and democratic reforms in the country. The events which overnight made Tiananmen Square a synonym for government highhandedness had affected China's foreign policy in a major way. Facing a volley of strong and unwavering condemnation flowing from the Western countries China was forced to take refuge among countries which were also questioned on similar grounds. The isolation which China faced brought her closer to the African countries which were resource rich yet poorly governed. Hence, India's and China's engagement

with Africa began on firm grounds of resource necessity and consolidation of influence among developing countries leading to an enhancement of their respective positions in the post cold war international order. Sino-Indian engagement with Africa will henceforth be discussed under three broad categories of political, economic and military areas.

Political ties: India and Africa

It is a tricky job to clearly categorise India African engagement and Sino African engagement into political, economic and defence ties separately. Each impinges upon the other. Since the aim of this dissertation is to uncover the major contours of their engagement by way of comparison, categorising post cold war India Africa ties and Sino Africa ties becomes an imperative. The present section will discuss India's political ties with Africa followed by a discussion of the same between China and Africa. Indo-African political ties may be analysed through the following categorisation: bilateral visits, exhibition of solidarity on issues of international significance or on areas of mutual concern, participation and contribution in UN sponsored peacekeeping operations, award diplomacy, India's ties with the pan African bodies like African Union, NEPAD, SADC etc.

Bilateral visits form a very important component while discussing political ties between any two states or regions. Its importance lay in the fact that visits by heads of states and ministers responsible for important departments carry the political trust which the visiting nation has. Moreover, official visits also underline the enthusiasm of the visiting country in establishing relations with the host country. So far as India and the African countries are concerned, regular contact between the two happened on a fair basis since

India's independence owing to a number of reasons. Afro Asian resurgence, establishment of the Non Aligned Movement and demands for creating the New International Economic Order together have extended Indo African ties a firm foundation. Bilateral visits between the African countries and India began with a renewed vigour since the end of the cold war owing to a number of reasons primarily economic in nature. If one glimpses through the government reports about the bilateral visits undertaken by Indian dignitaries to the African countries it, the economic tenor of those visits will be very evident. A very clear trend emerges if one looks separately at the decade of the 1990s and 2000s. During the 1990s it was mostly the East African countries (primarily Anglophonic Africa) which showed interest in Indian investors but with the turn of the century, investments were increasingly sought by the sub Saharan African countries and the west African countries. Hence, the African rationale behind inviting Indian investment in their countries has remained firm, as is evident from the gradual and steady outreach of India's bilateral visits in Africa. Zimbabwean President Robert Mugabe while inviting Indian investors in his country way back in 1995 had been quoted as saying that,

India is globally renowned for excelling in many sectors that are of immense interest to us, including the adaptation and indigenisation of various key technologies and the inculcation of the entrepreneurship spirit into your people²³.

It is this very acceptance of the Indian model of development and economic practices which has kept the economic tenor of the bilateral visits intact since the 1990s to the present day. Navdeep Suri, Consul General in the Indian Consulate of Johannesburg had

²³ "Indian investments sought", *African Recorder*, July 2-15, 1995, DL – 11031/95, Vol. XXXIV, No. 14, p.9639

aply remarked in 2006 that “*wherever I have travelled from Senegal to Ivory Coast to Angola, there is a respect for the Indian model...*”²⁴.

Apart from seeking investment, another important area of political ties has been promotion of cultural exchanges amongst each other. Once again, it is the rich historical ties that India shared with the African countries owing to the fact that they were governed by a common coloniser which imparts a certain degree of commonality in executing cross cultural exchanges. Cultural exchanges provide a definite level of comfort between two countries in carrying out bilateral political and economic obligations. Countries like South Africa, Zambia, Mozambique, Ethiopia have participated in a number of cultural exchanges with India since the end of the cold war. Conferring awards/honours to the African heads of states and important politicians, inviting them as chief guests at national day celebrations of India forms another important element of India’s political diplomacy with Africa. To cite a few examples, the Jawahar Lal Nehru Award for International Understanding was awarded to Zimbabwean President Robert Mugabe in 1991²⁵; Namibian President Dr. Sam Nujoma was awarded in the same year the Indira Gandhi Prize for Peace, Disarmament and Development²⁶; in 1999 Nigerian President Olusegun Obasanjo was invited as the Chief Guest at the Republic day celebrations²⁷. This gesture of conferring awards and inviting statesmen as chief guests adds a measure of confidence to bilateral relations among

²⁴ Scott Baldauff, “India steps up trade ties in Africa”, *The Christian Science Monitor*, November 3rd, 2006. Accessed from <http://search.proquest.com/professional/docview/405553682?accountid=160472>

²⁵ “Nehru award for Dr. R. Mugabe”, *African Recorder*, January 15 – 28, 1991, Vol. XXX, No. 2, p. 8300

²⁶ “Indian honour for President Nujoma”, *African Recorder*, Vol. XXX, No. 18, p. 8461

²⁷ “Nigerian President invited for R-Day function”, December 6th, 1999. Accessed from: <http://search.proquest.com/professional/docview/286034036?accountid=160472>

countries and also underlines a definite sense of solidarity. Apart from these, Indian political diplomacy has also worked towards promoting development cooperation with the African countries under the rubric of ‘capacity building’. The pioneering initiative towards this has been the ITEC (Indian Technical Economic and Cooperation Programme) programme launched by India way back in 1964 under the leadership of Prime Minister Lalbahadur Shastri. ITEC being the vision of independent India’s first Prime Minister Jawaharlal Nehru, it was predicated on the belief that, *“it was necessary to establish relations on mutual concern and interdependence based not only on commonly held ideals and aspirations, but also on solid economic foundations...”*²⁸. Under the aegis of the ITEC programme scores of African diplomats and officials have received training from Indian institutes; various long term projects aiming at building infrastructure has been initiated by India. The chief African recipients of capacity building initiatives have been Mozambique²⁹ (1991), Namibia³⁰ (1995), Zanzibar³¹ (2000), South Africa (1996) etc. Such programmes have included building roads, bridges, railway lines, setting up drinking water projects, low cost housing, IT and irrigation projects etc. A substantial number of capacity building projects undertaken by India at the turn of the century have been directed towards the oil rich states of Angola and Sudan. In these countries these projects are tied to India’s energy resource requirement³². The diplomatic practice of providing assistance in building ‘capacity’ not

²⁸ Indian Technical Economic Cooperation Programme, Accessed from:

<http://www.itec.mea.gov.in/?1320?000> on May 21st, 2015.

²⁹ “Indian assistance to Mozambique”, *African Recorder*, March 26 – April 8, 1991, Vol. XXX, No. 7. p.8358.

³⁰ “Trade pacts with India”, *African Recorder*, December 17 - 31, 1995, Vol. XXXIV, No. 26. p. 9778.

³¹ “India funds construction of low cost houses in Zanzibar”, *African Recorder*, May 7 – 20, Vol. 01, No. 10, p. 118.

³² “Angolan FM begins official visit to India”, *BBC Monitoring Africa*, May 10th, 2006. Accessed from <http://search.proquest.com/professional/docview/458578685?accountid=160472>

only brings about long term development in infrastructure poor African countries but also brings to the fore India's genuine concern in bringing about socio-economic transformation in the African continent. This particular component of India's political exchanges also play very well to the critical opinion which most of the African countries have historically derived from the developmental initiatives and measures initiated by the Western countries. Practicing award diplomacy, promotion of cultural exchanges and undertaking development cooperation (capacity building) vis-a-vis the countries of Africa have positively helped in creating a platform of mutual fraternity and confidence. This platform has led both India and the African countries to voice each others' opinions on matters of international concern and on issues which affect them mutually at various international forums and bilateral visits. A number of declarations and public addresses made by either side since the end of the cold war clearly reflect their common concerns and approaches.

Going through the exchanges that have taken place between Africa and India, one can easily observe the recurrence of certain issues in various public declarations including speeches, deliberations and policy statements. Those issues are, India's rightful claim to become one of the permanent members at the United Nations Security Council, India's involvement with the African Union and NEPAD, the Kashmir issue and various other security concerns (organised crime, terrorism, drug trafficking and likewise), the Indian Ocean Rim, India-US nuclear deal, the Sudanese peace process etc. prime Minister P.V.Narsimha Rao's interaction with Egyptian President Hosni Mubarak way back in 1995 had underlined the necessity of restructuring the United Nations Security Council

in order to serve the interest of the developing world³³. This issue came to the fore once again while interacting with South Africa in 1997 whereby the veto power used by the permanent five at the Security Council was vehemently criticized as being thoroughly undemocratic in nature³⁴. A joint declaration which was published during South African President Thabo Mbeki's India visit in 2003 once again criticised unequivocally the lopsided nature of the United Nations Security Council. The declaration went to the extent of saying that an expansion should be brought about immediately in order to ensure "*equitable balance*" and "*provide the third world countries with a decisive voice*"³⁵. The other issue which has been similarly recurrent in bilateral talks between India and Africa has been the issue of Kashmir, Pakistan's stance and its security implications for India. Ghana had openly come out supporting India's stand on Kashmir and had opined that further bilateral talks between India and Pakistan aiming to solve the Kashmir dispute ought to be carried out within the Simla Agreement framework³⁶. Moroccan Prime Minister Abder Rahmane Yousoffi, during his visit to New Delhi in 2000 was quoted as saying to some journalists that "*my country supports Simla Agreement to be the basis for resolving the Kashmir dispute*"³⁷. This statement attracted international attention for it was for the very first time that a member of the OIC (Organization of Islamic Countries) had openly supported India's stand in resolving the Kashmir dispute, going against the tide of opinion expressed by the OIC members. On a

³³ "Talks with India on UN restructuring", *African Recorder*, November 5-18, 1995, Vol. XXXIV, No. 23. p.9741

³⁴ "Strategic partnership pact with India", *African Recorder*, April 19-22, 1997, Vol. XXXVI, No. 8, p.10189.

³⁵ "South Africa, India calls for expanded UNSC", *BBC Monitoring Africa*, October 19th, 2003, Accessed from <http://search.proquest.com/professional/docview/458463733?accountid=160472>

³⁶ "India's stand on Kashmir backed", *African Recorder*, December 3 – 16, Vol. XXXIV, No. 25, p. 9766.

³⁷ "PM backs Simla pact to resolve Kashmir dispute", *African Recorder*, March 12 – 25, 2000, Vol. 01, No. 6, p. 66

similar note India's representative at the United Nations General Assembly, Mabel Rebello while speaking on the unjust nature of IMF conditionalities for African countries was quoted as saying that,

It is necessary that African countries be allowed to implement their national development policies with national ownership and given policy space instead of imposition of intrusive policy conditionalities...even though our deprivation was considerable, we realize that, Africa's tribulations were even greater. India has therefore been a strong and consistent voice in support of Africa at the UN and elsewhere³⁸.

On a similar note, India also shared common ground with Africa on Sudan's peace process (with South Africa in 2003) and on the Iraq crisis in the year 2003 (with South Africa). In both these cases India shared Africa's concern for a steady, peaceful and a sustainable solution. India also received support from South Africa on its nuclear deal with the US in 2006. These statements provide testimony to the fact that India and Africa share a reasonable degree of political and ideological affinity with each other and it is this sentiment which gives them a perfect spring board to advance their mutual commercial interests.

Any discussion about the political ties between Africa and India would be incomplete without taking into account the camaraderie India has developed with the African countries by interacting with the pan African organisations on a fairly regular basis. India has stepped up its interaction with African Union (AU), the South African Development Community (SADC) and the Economic Community of the West African

³⁸ "India against IMF conditions on Africa", *The Hindustan Times*, October 13th, 2006. Accessed from <http://search.proquest.com/professional/docview/470869926?accountid=160472>

States (ECOWAS) since 2000 adding a multilateral edge to India's Africa policy. With the turn of the century, India's unfailing interest in collaborating with the African Union and the SADC on a range of issues became evident. The Foreign Secretary of India stated, while declaring that India was on the process of drafting a comprehensive charter of cooperation with AU in 2003 covering a diverse range of issues that, "*we would like to be considered a serious development partner for the African countries*"³⁹. India also reached an agreement of cooperation with the SADC at the first ministerial meeting held in New Delhi where, Paul Berenger, Chairperson of SADC was quoted as saying that, "*SADC has always endeavoured to promote dialogue with developing and developed country partners but there is need for us to strengthen existing dialogues and I hope to give a new dimension to SADC's prized relationship with India*"⁴⁰. India signed a Memorandum of Understanding with the African Union named the Pan African e-network Project⁴¹ in 2005 extending India's expertise in the IT sector to help the member countries of AU come closer. This project has been of singular importance to India's Africa policy in the recent years. At the first SADC India meet in Namibia (2006), the SADC officials tabled proposals leading to deepening cooperation with India on matters of investment, natural resources, human resource development, health sector and information technology. India not only accepted the proposals placed for carrying out cooperation with the SADC countries but also expressed gratitude to the member

³⁹ "India Africa ties poised to enter a new exciting phase: Foreign Secretary", *BBC Monitoring Africa*, June 2nd, 2004. Accessed from <http://search.proquest.com/professional/docview/459955108?accountid=160472>

⁴⁰ "SADC to further boost relations with India and China", *Xinhua News Agency*, August 16th, 2004. Accessed from <http://search.proquest.com/professional/docview/452931930?accountid=160472>

⁴¹ "India African Union sign MoU on Pan African e-network project", *The Hindustan Times*, October 27th, 2005. Accessed from <http://search.proquest.com/professional/docview/470937751?accountid=160472>

countries for extending voice to common concerns at the international forums⁴². Considering the overall implications of the examples cited already it might be inferred that, India's political exchanges with African countries have received a substantial boost from its engagement with the pan African organisations. Another segment of India's political interactions with Africa happens to be India's commitment towards maintaining political stability in the continent which it ensures by contributing extensively in the UN sponsored peacekeeping operations. Dating back to the Congo Crisis of 1960 to the UN mission in the Democratic Republic of Congo in the recent past, the extent of India's contribution has been greatly appreciated by Africa. All this taken together sends a very candid message to the African nations about India's aspirations in the continent.

Political Ties: China and Africa:

Relations between China and Africa received a definite boost after the Tiananmen Square incident which made international opinion turn sour on Chinese leadership. The volley of sanctions that followed led to China's isolation which, according to the Chinese manner of reading international politics was labelled as an example of Western hegemony over a non-Western country over an issue which related to the internal affairs of a state. Such a reading of matters led towards further crystallisation of the anti-hegemonic posturing of Chinese foreign policy. Such posturing inevitably was attached to the idea of third world resurgence against an unjust international order exclusively string-pulled by few Western countries. China had already undergone a massive wave of economic reform in 1978. The reforms had led to an important shift of priorities in the national politics. Commensurate

⁴² "Forum of southern African economic bloc, India takes place in Namibia", *BBC Monitoring Africa*, May 5th, 2006. Accessed from <http://search.proquest.com/professional/docview/458588574?accountid=160472>

changes were also brought about in the sector of foreign policy. Ideology took a back seat and pragmatic economic considerations became the new working principle of associating with other international actors. The way international opinion was shaped after the Tiananmen Square incident and the demise of Soviet Union, compelled China to refocus its priorities considering the imperatives of a growing economy and necessity of maintaining a peaceful neighbourhood for carrying out the project of national development. Hence, procuring resources which would help keep the growth engine roaring and identifying friends who would stand by China in international forums against the tyranny of the West were the two basic conditions which propelled China to court the African nations during the post cold war era. Sino-African relations have been mostly economic in nature but an all-round analysis would be incomplete if the political aspect is kept out of consideration.

The political aspect of Sino-African relations have also been based upon bilateral visits, exhibition of solidarity on issues of common interest, proximity with the pan African organisations, involvement in the peacekeeping operations, cross cultural exchanges etc. The Chinese leadership began wooing the African nations by undertaking regular visits to various African nations. Countries like South Africa, Zambia, Zimbabwe, Tunisia, Egypt, Mozambique, Tanzania, Namibia, Nigeria etc. were often visited by the Chinese leadership. Bilateral visits undertaken by Chinese leadership to various African nations employed an ingenious approach of winning the confidence of the African nations. Nearly all the declarations, statements, communiqués etc. which were adopted during such visits employed a language of ‘equality and partnership’ deliberately. This served the dual purpose of creating a cordial environment between China and the host African

nation; and also successfully pushed forward a unique brand of Chinese assistance (as against Western assistance) which according to the declarations did not rest on unilateral exploration of resources on the part of China alone. These visits not only carried forward lucrative economic packages for the African nations to make use of and project proposals aiming to help the African countries build their infrastructure but also displayed the Chinese design of bringing about both way development on the basis of equal partnership and respect towards each other's sovereignty over internal matters. Bilateral visits undertaken by China during this phase was also directed towards garnering support for 'one China policy' among the African countries and gradually veering them away from Taiwan. Thus, political exchanges amounted to expanding China's commercial linkages with Africa, promoting a sense of identity and equality between China and the African countries, assisting them with building infrastructure on the one hand and vehemently carrying forward the 'one China policy' on the other⁴³.

A substantial number of visits during the decade of the 1990s were undertaken by China in order to obtain assurance from African nations on adherence towards one China policy. The immediate agenda of the Chinese visits were to replace Taiwan as a lucrative investor and a trader. Bilateral declarations primarily during the decade of 1990s are replete with African leaders expressing their loyalty towards the idea of 'one China policy' in exchange for China granting these countries unremitting economic and political partnership. China had established diplomatic relations with South Africa in 1997 although trade / economic relations were resumed way back in 1993. A statement by the Ministry of Commerce (PRC) stated that South Africa had already occupied the position

⁴³ n 16, p.54

of China's biggest African trade partner only after the first seven months of resumption of commercial ties between the two⁴⁴. Bilateral ties during this period solely focused on establishing stable economic relations. Chinese vice Premier, Li Lanqing's visit to six West African and Central African nations in 1995 was also aimed at establishing economic linkages. Shi Weisan, Director General of the Ministry of Foreign Trade and Economic Cooperation (Western Asian and African Affairs Department, PRC) and a member of the Li Lanqing's delegation visiting Africa in 1995 was quoted as saying that,

The visit embodies an important policy of the Central Government and will have a tremendous impact on friendly Sino-African relations and economic cooperation. Leaders of China and African countries have undertaken visits in recent years frequently to enhance mutual understanding and traditional friendship as well as bilateral economic cooperation⁴⁵.

Another visit in the same year was undertaken by the Minister of MoFTEC, Wu Yi to Egypt, Tunisia and Morocco to table trade and technology cooperation pacts in each country⁴⁶. Visits undertaken later, by President Jiang Zemin (1996), Premier Li Peng (1997), Hu Jintao (1999), Li Peng (2001) etc. were all aimed at establishing strong economic linkages. Another interesting aspect of China's political linkages with Africa was the 'language' that was employed to convey solidarity and identity. China had acquired a certain level of economic affluence and political clout by the mid 1990s. This is one of the reasons behind China's ready acceptance among the African nations as an

⁴⁴ *China, South Africa resume trade, economic relations*, The Washington Post, October 29th, 1993. Accessed from <http://search.proquest.com/professional/docview/307668688?accountid=160472>

⁴⁵ "Vice Premier Li Lanqing and group visits six African nations", *China Daily*, October 27th, 1995. Accessed from <http://search.proquest.com/professional/docview/257646917?accountid=160472>

⁴⁶ "Wu heads commerce delegation to Africa", *China Daily*, March 15th, 1995. Accessed from <http://search.proquest.com/professional/docview/257619729?accountid=160472>

agent of change. China's impressive economic prowess which was deliberately being displayed by Chinese diplomats at various levels led the African nations to believe in China's capacity in extricate them from the vicious cycle of low growth rate and socio-economic backwardness. It is here that 'language' became an important tool which was employed to win over the African nations. The statements, communiqués, declarations that were adopted and published during this period underlined equality and respect for mutual sovereignty as the working principles of Sino-African engagement. China postured itself vis-a-vis the African nations as an equal partner seeking mutual development and prosperity and not merely as a buyer of resources. Jiang Zemin's Africa visit in the year 1996 had set the tone of Sino-African relations on a firm non-ideological basis. State Councillor Wu Yi was quoted as saying at the opening ceremony of the China Africa Seminar for Economic and Management Officials held in 1998, sponsored by China's Ministry of Foreign Trade and Economic Cooperation and Ministry of Foreign Affairs, that the Chinese government has always valued its commercial relations with the African countries and would give top priority to foster economic relations which serves the purpose of equality and mutual benefit⁴⁷. President Hu Jintao, on his three days official visit to Ghana in 1999, while outlining China's Africa policy had said:

China has always valued its friendly cooperative ties with Africa and furthering this relationship is an important part of its independent foreign policy of peace. This policy will by no means change following changes in the world situation nor in each other's own circumstances. ...China will, as always, adhere to the five principles of peaceful co-existence and respect African countries' political system and development road they freely

⁴⁷ "China vows to strengthen economic ties and trade with Africa", *Xinhua News Agency*, August 30th, 1998. Accessed from <http://search.proquest.com/professional/docview/453986729?accountid=160472>

choose according to their own circumstances...China will also support these nations' efforts to maintain domestic stability and unity invigorate their national economy and promote their social progress...⁴⁸

President Hu Jintao touched upon some very significant cornerstones of China's Africa policy at the opening ceremony of the China Africa Forum, which first met in Beijing in 2000. His speech not only reiterated the idea of mutual benefit, equality and respect for each other's sovereignty but also established a strong identity between their 'experiences' as developing nations. While he put forth the idea of developing North South relations with all sincerity, nevertheless, he also attacked the existing world order for promoting hegemony and power politics. To quote from his inaugural speech:

The 20th century has witnessed earth-shaking changes in both China and Africa. The Chinese and African peoples once fought courageously for their national independence and freedom. They have since made strenuous efforts for peace and development...We have come to the conclusion after a review of the history of the past one hundred years that the Chinese people and the African people both treasure independence, love peace and long for development and that they are both important forces for world peace and common development. It is the unremitting efforts made by the people throughout the world, including the Chinese and African peoples, that forces for world peace have kept growing and the world development cause has made considerable progress...However, development in different countries is extremely uneven. Hegemonism and power politics still exist. Developing countries are still faced with an arduous task of safeguarding their sovereignty, security and interests. At the root of these problems are many irrational and inequitable factors in the current international political and economic order. They are

⁴⁸ "Hu Jintao on China's Africa Policy", *Xinhua News Agency*, January 27th, 1999. Accessed from: <http://search.proquest.com/professional/docview/454216548?accountid=160472>

detrimental not only to world peace and development, but also to the stability and development of the vast number of developing countries⁴⁹.

In a similar note, subsequent pronouncements on China's Africa policy have harped on the unjust international order, its hegemonic practices and institutions to be responsible behind the socio-economic backwardness of the developing countries. However, the display of solidarity has not been unilateral in Sino-African ties.

China has time and again used its power of veto at the United Nations Security Council while trying to block any resolution aimed at deploring the activities of illegitimate African regimes. It has also pressed upon the international community a number of times to be considerate about the specificities of African societies, their administrative practices and government institutions. The Chinese President during a meeting with UN Secretary General Kofi Annan in 1999 had said,

...the world is a colourful one, and China respects the universal principle of human rights enshrined in all documents. Meanwhile, due to differences between countries in social systems, culture, historical tradition, and economic levels, there should be different measures in protecting human rights and divergent forms of democracy...⁵⁰

In a number of situations, African countries have lent their support to China when the later was castigated for human rights practices in various international forums. Relationship with each other has thus been complementary. During Premier Li Peng's visit to Mozambique in 1997 he had expressed his gratitude to Mozambique's President

⁴⁹ Text of President Jiang Zemin's speech at China Africa Forum, *BBC Monitoring* – Asia Pacific – Political, October 10th, 2000. Accessed from <http://search.proquest.com/professional/docview/450051544?accountid=160472>

⁵⁰ "Chinese President tell UN Chief to respect divergent forms of democracy", *BBC Monitoring* – Asia Pacific – Political, November 16th, 1999. Accessed from <http://search.proquest.com/professional/docview/450093283?accountid=160472>

Joaquim Alberto Chissano for supporting China on an issue of human rights violation taken up at the United Nations General Assembly and promised in return the continuation of China's economic ventures in Mozambique⁵¹. Li Peng, during his visit to Cameroon in 1997 was also quoted praising and thanking Cameroon for extending its support consistently to China on matters of human rights at the UN Human Rights Commission of which Cameroon was a member⁵².

Another significant facet of Sino-African political relations during the post cold war era has been China's regular offers to help build infrastructure in the African countries without necessarily questioning them on matters of governance. The African nations which have largely benefited from this particular aspect of China's foreign policy have often returned the favour with the sale of their oil and mineral resources, access to domestic markets and international support during crisis hours. Sudan, highly coveted for its oil reserves has been one such country. Since 1996, China has invested more than US \$ 15 billion in Sudan's oil industry and its related infrastructure projects. Angola has also benefited from a network of refineries, roads, railways, hydro-electric dams, gold mining and telecommunications. China also regularly interacts with the pan African organisations like the African Union, the NEPAD (New Partnership for Africa's Development) etc. Chinese policy statements on Africa comprises of appreciatory remarks about the significance of AU and the NEPAD initiative in bringing about social transformation in the continent. Other than the FOCAC declarations which have been

⁵¹ "Carnival mood greets Li in Africa", *China Daily*, May 8th, 1997. Accessed <http://search.proquest.com/professional/docview/257708457?accountid=160472>

⁵² "Li says all people long for stability", *China Daily*, May 12th, 1997. Accessed from <http://search.proquest.com/professional/docview/257612377?accountid=160472>

brought out since 2000 Chinese leaders have expressed their enthusiasm be associated deeply with the regional organisations of Africa in order to bring about overall development of the continent. Hu Jintao in 2006 during a meeting with the head of African Union Oumar Konare (former president of Mali) was quoted as saying,

“China attaches importance to the role of the African Union, and would like to further the bilateral friendly relations...the two sides should strengthen consultation on regional affairs, peace-keeping operations, personnel training, and capacity building, so as to promote peace and development in Africa. Relations between China and African countries have made new progress in the new century, and the two sides have maintained frequent exchanges of visits, and political trust has increased⁵³”.

Not limiting itself to policy rhetoric merely, China has also undertaken substantive projects like funding NEPAD projects and constructing a new African Union secretariat in Addis Ababa. Thus it is evident that, the requirements of China and the African nations from each other are complementary and it is this complementary nature which has been best utilised by China in managing her political and economic ventures.

Economic ties: China and India

Post cold war engagement of Africa with India and China respectively, has primarily been economic in nature. Bilateral and multilateral initiatives aimed at courting the African nations have been designed keeping two broad aims ahead: making the vast resource pool (energy resources and mineral resources) of Africa more accessible and gaining deeper access to the African markets for Indian and Chinese manufactured

⁵³ “China vows to further cooperation with African Union”, *Xinhua News Agency*, August 15th, 2005. Accessed from <http://search.proquest.com/professional/docview/452704845?accountid=160472>

products. Hence, both Chinese and Indian economic diplomacy towards Africa during the post cold war era has been a combination of promoting bilateral trade and investment, extending aid and procuring energy resources.

Archaeological evidence like discovery of Mohenjodaro coins in Egypt and the discovery of the port of Lothal in present day Gujarat tend to suggest the existence of Indo African trade as early as the Indus valley civilization. India began pursuing its bilateral trade with Africa and other third world countries with new found vigour since its economy underwent a fundamental transformation in 1990-91. Indian total export to and import from the African nations in 1980 were US \$ 389.16 million and US \$ 213.85 million respectively. In 1991 total export amounted to US \$ 463.32 million and total import amounted to US \$ 909.57 million. These figures leaped up to US \$ 7384.47 million and US \$ 2819.42 million respectively in 2006⁵⁴. For a detailed overview of India's export and import to Africa the following table can be referred to:

Table 4.1 - India's Export to and Import from Africa (in US million \$)⁵⁵

Trade	1990	1995	2000	2006
Export	327.61	1338.11	1916.18	7384.47
Import	671.09	1576.17	3055.85	2819.42

⁵⁴ The trade data have been sourced from World Bank's Department of Trade database

⁵⁵ Ibid.

The magnitude of growth in Indo-African bilateral trade is therefore evident. In spite of such impressive trade figures and their manifold increase over time, it remains to be considered that, Africa's share of global trade with India is still negligible because of a number of factors like language obstacle, lack of foreign exchange, lack of awareness about the African trade potential, ongoing conflicts and lack of direct shipping lines to Africa. India counts as one of the largest trading partners of Africa followed by the United States, the European Union and China. South Africa remains the largest African trading partner of India. India's traditional trading partners in Africa have been South Africa, Nigeria, Mauritius, Ivory Coast, Tanzania, Kenya, Benin, Ghana, Ethiopia and Senegal. Indian exports to Africa comprise of cotton yarn, fabrics, readymade garments, drugs, pharmaceuticals, fine chemicals, manufacture of metals, machinery and instruments, transport equipments etc. India's primary imports from Africa comprise of gold, pearls, precious/semi-precious stones, coal, coke, wood and wood products, iron and steel, metal scrap, organic chemicals etc. Establishing trade ties and securing new sectors of investment in the African countries have dominated the agenda of bilateral / multilateral meetings and diplomatic visits that were undertaken since the end of cold war. By the time cold war came to an end the imperative of bringing about growth by means of international trade and investment had made its dent in the African minds.

India's trade relationship with Africa is a combination of various economic and political initiatives. Beginning in the 1990s, Africa was identified as a prime yet unexplored trade partner by organisations like the Confederation of Indian Industries (CII), the Associated Chambers of Commerce and Industries (ASSOCHAM), the Federation of Indian Chambers of Commerce and Industries (FICCI) and the Federation of Indian Exporters'

Organisation (FIEO). These organisations launched a plethora of initiatives to establish and consolidate trade links with the African countries. These initiatives ranged from conducting one-to-one business meetings to conducting 'Made in India' shows in Africa. Joint trade agreements were entered into with countries like Mauritius, Kenya, Zambia, Uganda, Zimbabwe, South Africa, Nigeria etc. The government initiatives which were undertaken are: extension of US \$ 6 million line of credit to Preferential Trade Area (PTA)⁵⁶ countries in 1992 by the EXIM bank for import of capital goods from India; Prime Minister P.V. Narsimha Rao had undertaken a visit to Burkina Faso in 1995 in order to strengthen economic and political ties with the West African countries; announcement of a revolving fund of Rs.100 crores to carry out regional cooperation with Africa; signing of a Memorandum for Understanding in 1996 with the SADC (Southern African Development Corporation) in order to facilitate government and private sector involvement in the region etc⁵⁷. One of the biggest initiatives undertaken in the recent years have been setting up the Focus Africa programme in 2002-2003 the mandate of which was to provide selected Indian exporters visiting Africa financial support by setting up trade centres in some of the countries (Nigeria, Mauritius, Kenya, Ethiopia, South Africa etc.). Furthermore the Ministry of External Affairs has scaled up its presence by creating three different joint secretarial posts to cover the continent and their endeavours are being complemented by the Confederation of Indian Industries (CII) and the Export Import Bank of India. Beginning in 2005, the CII and the EXIM together organised international conferences aimed at deepening Indo- African trade links entitled 'Expanding Horizons' under the purview of the India-Africa Partnership Project. These

⁵⁶ The PTA covered 21 countries from east and Southern Africa. In 1994 it was replaced by COMESA.

⁵⁷ Ruchita Beri, "India's Africa Policy in the post Cold War Era: An Assessment", *Strategic Analysis*, Vol. 27, No. 2, p.221.

conferences not only led towards identifying potential trade sectors on the either side but also brought to the fore demands for Indian investment made by African countries⁵⁸.

The advent of the twenty first century witnessed an increase in Indian investments in Africa, especially in the infrastructure sector, energy sector and the mineral extraction sector. African nations have been urged by New Delhi to allow the Indian footprint to grow in their economies⁵⁹. The adoption of the Focus Africa document in 2003 provides an overview of the initiatives undertaken by India in order to consolidate commercial links with African countries. Through the Focus Africa programme the Indian government decided to provide financial assistance to trade promotion councils and export promotion centres in the form of Market Development Assistance. The 'Made in India' shows organised successively in 1998 and 2001 was able to attract the African countries towards the Indian basket. Indian investments have increased thereafter in Africa. Indian investment is undoubtedly heavier in the Sub Saharan African region which is resource rich⁶⁰. For example, RITES and IRCON International (government owned engineering companies) are actively engaged in rails and roads development sector and privately owned TATA has invested in a whole range of infrastructure building activities in Sub Saharan Africa. Indian pharmaceutical companies, textile industries and IT companies are also significant Indian players in the African economy. Agreements during this period were also reached to minimise trade barriers like avoiding double taxation leading to further protection and promotion of investment.

⁵⁸ Sanusha Naidu, "India's Growing African Strategy", *Review of African Political Economy*, Vol. 35, No. 115, pp. 116-128.

⁵⁹ Ian Taylor, "India's Rise in Africa", *International Affairs*, Vol. 88, No. 4, 2012, pp. 779 – 798.

⁶⁰ Rajen Harshe, "Recasting Indo-African Development Cooperation", *Economic and Political Weekly*, Vol.37, No. 40, October 5-11 2002, pp. 4116-4120.

The other two aspects of India's economic diplomacy towards Africa (aid and procurement of energy resources) have attracted the attention of scholars and policy makers worldwide. India began extending aid to third world countries under its Indian Technical and Economic Cooperation (ITEC) mechanism way back in 1964. According to Ruchita Beri, extension of official aid to Africa at that time was a means to counter increasing Chinese influence over the continent⁶¹. Africa received development assistance from India under the aegis of ITEC during the 1990s. These included training of diplomatic staff and other professionals at Indian academies, construction of infrastructure projects like plant for potable drinking water and smaller projects in the railways sector and the telecom sector. 2003 was a year of watershed so far as India's aid policy is concerned. It was announced that India would no longer receive foreign aid other than a few western countries. US \$ 1.6 billion were refunded by India immediately, an amount which India owed to fourteen bilateral donors. India Development Initiative was set up to channelize development aid to Africa and other development countries. This was followed by the decision of waiving debts of seven heavily indebted poor countries like Mozambique, Tanzania, Zambia, Guyana, Nicaragua, Ghana and Uganda. In 2007-08 government of India announced the establishment of the India International Development Cooperation Agency which would bring all activities related to development cooperation under one umbrella.⁶² India was the first Asian country to become a member of the Africa Capacity Building Foundation in 2005 guaranteeing USS

⁶¹ n 57, p.216-232.

⁶² n 3. Pranay Kumar Sinha, "Indian Development Cooperation with Africa", pp.77-78.

\$ 1 million to the ACBF to be used for projects aimed at sustainable development and poverty alleviation⁶³.

India's development assistance to Africa has increased since 2000 and a clear diversification can also be witnessed in the same. Development assistance began to be offered under three distinct categories: through the Aid and Technical Assistance Programme; through Lines of Credits and contributions to international organisations (UN, AU peacekeeping operations etc.). The Aid and Technical Assistance Programme includes all the bilateral aid programmes and the specialised capacity building programmes. ITEC and SCAAP (Special Commonwealth African Assistance Programme) fall under the purview of specialised capacity building programme. The recipients of these capacity building programmes have been Nigeria, Ethiopia, Ghana, Zimbabwe etc. Capacity building programmes have ranges from student scholarships to training medical officers to helping build infrastructure. Extending Line of Credit (LOC) to African countries has become another significant component of India's development cooperation initiative. LOCs are solely managed by the EXIM Bank (Export Import bank). They are extended to overseas financial institutions, regional development banks, sovereign governments and other entities overseas, to enable buyers in those countries to import goods and services to India on deferred credit terms. LOC is not an instrument of aid but is a tool for promoting international trade⁶⁴. The LOC mechanism has been put in place in order to tap the trade potential between India and African countries to an optimum level. Some of the significant lines of credit that have been extended to the continent are: US \$ 200 million to NEPAD under the India Africa fund designed to

⁶³ n 57, p. 787.

⁶⁴ Ibid, p.84

promote African economic integration; US \$ 500 million to the Francophone countries under the Team 9 Initiative; US \$ 1 billion towards a joint venture with the African Union⁶⁵.

India's energy demands have undergone a threefold increase since the 1970s. In order to maintain an average growth rate at 8% India needs to keep its energy requirement fulfilled. India is rich in terms of coal energy but lacks when it comes to oil and natural gas. Offshore Bombay fields and onshore Assam fields amount to a total of 5.9 billion barrels with proven and probable reserves closing to approximately 11 billion barrels according to Energy Information Administration (EIA) data. Therefore under such circumstances it becomes imperative for India to source its oil supply from other countries. Middle Eastern oil fields, the traditional oil reserve of the world, are mired with social, political volatility and US dominance. These factors make this region untrustworthy for an emerging power like India. The search for alternative energy reserves therefore has led India to the oil fields of western and central Africa. India's energy policy and practices vis-a-vis the African nations have become a significant component of India's economic diplomacy. Out of the eight billion barrels crude oil discovered in 2001, seven billion barrels were discovered in West and Central Africa alone⁶⁶. According to the extensive study carried out by the Energy Information Administration (EIA) West and Central Africa are the 'premier hotspots' in world oil industry. It has also been predicted by those studies that, this region would be churning

⁶⁵ n 17, p. 8.

⁶⁶ Nigeria, Angola, Congo – Brazaville, Gabon, Equatorial Guinea, Cameroon, Chad, The Democratic Republic of Congo, Sudan, Cote d'Ivories, Ghana, Benin, Senegal and South Africa

out nearly nine million barrels per day by 2030⁶⁷. African oil and natural gas market has acquired significance in India's energy diplomacy not only because of its promising reserves but also because of the low sulphur quality oil it produces and absence of restriction on making foreign investments in the oil producing sectors. Around 24% of India's crude oil is sourced from Sub Saharan Africa, especially Nigeria. India has invested in Sudan, Angola, Ivory Coast, Ghana while India is trying to gain a foothold in Chad, Niger, Republic of Congo and Gabon. India began procuring Nigerian 'sweet oil' (low sulphur quality) after signing a term contract in 2000 which was later renewed in 2002. Nigerian President Obsanjo had invited the Indian companies to invest in Nigeria and benefit from its oil resources according to a statement by the Ministry of External Affairs⁶⁸. ONGC Videsh Limited (OVL), the international arm of Oil and Natural Gas Commission (ONGC) has also invested heavily in the troubled region of Sudan. India has often expressed confidence in the peace process being carried out in Sudan to bring an end to the civil war ravaged country. Indian President A.P.J. Abdul Kalam during his visit to Sudan in 2003 had not only expressed India's support to Sudan's peace process but had also praised Sudanese government's role in the peace keeping. He also maintained that Sudan's foreign relations ought to be based on dialogue and that there should be zero interference in the internal affairs of Sudan's government⁶⁹. OVL has acquired 25% stake in the Greater Nile Petroleum Company (GNOP) in 2003 and the union government has also cleared a pipeline project connecting Khartoum and Port Sudan on the Red Sea. However, OVL has also lost to China's state backed bidding in

⁶⁷ Ruchita Beri, "Africa's energy Potentials: Opportunities for India", *Strategic Analysis*, Vol. 29, No. 3, July September 2005. p. 372

⁶⁸ Rajeev Sharma, "Nigerian President offers oil", *The Tribune*, November 4, 2004.

⁶⁹ "Indian President Pledges Support for Sudanese Peace Process", *BBC Monitoring South Asia*, October 22, 2003. Accessed from <http://search.proquest.com/professional/docview/459864209?accountid=160472>

two oil blocks. OVL has not been able to make much headway in Angola owing to incisive Chinese lobbying to acquire oil fields of Angola but OVL has successfully acquired stake in Ivory Coast. It has also got into a Memorandum of Understanding with Ghana in order to carry out exploration. In 2007 a new wing was created by the Indian government under the aegis of the Ministry of External Affairs, called the Energy Security Unit in order to closely coordinate between ministries as well as private and public corporate enterprises to support their international engagement through diplomatic intervention. External Affairs Minister Pranab Mukherjee at the inauguration of the India Africa Hydrocarbon Conference held in New Delhi had announced the establishment of the special unit and was quoted as saying that,

India is increasingly looking at taking forward its partnership with Africa, which would be mutually beneficial. India is a natural market for Africa's rich hydrocarbon resources and is ready to share its experience with its African partners in the hydrocarbon sector, from exploration to distribution through refining, storage and transportation. Closer cooperation between India and African countries in the hydrocarbon sector would further cement and consolidate those relations and contribute significantly to forging strategic partnerships for mutual development⁷⁰.

India's economic diplomacy also attempts to consolidate trade ties, seeks newer grounds of investment and secure its stake in the African energy market. It does so by undertaking frequent diplomatic visits to the African countries, showcasing solidarity and identity with the African countries, establishing bilateral arrangements like Focus Africa Programme to institutionalise bilateral and multilateral engagements and setting up

⁷⁰ "India eyes Africa to meet rising energy needs", *The Hindustan Times*, November 6th, 2007. Accessed from <http://search.proquest.com/professional/docview/470244603?accountid=160472>

arrangements which bring about trade promotion, extending aid, waiving debts and carrying out various bilateral and regional projects aimed at providing developmental assistance.

Economic Ties: China and Africa

China's consistent growth rate following the 1978 reforms is one of the main reasons behind all the attentions that 'rise of China' has received worldwide. The reforms led by Deng Xiao Ping brought about certain fundamental changes in China's psyche. Being wealthy was no more a pejorative. After a long hiatus, China opened its gates to the outside world. Ideology took a back seat and promotion of international trade became the new guideline of foreign policy. China thus undertook a policy of courting the third world countries, aiming to capture new markets for Chinese manufactured goods and acquire stable supply of energy resources and mineral resources to keep up with the demands of a growing economy. It has thus been a mix of multiple high level visits aimed at consolidating trade and investment links, financial and infrastructural assistance even to the so called rogue states, supporting them in international forums and establishment of pan African forums to provide leverage to traders residing on both sides.

Bilateral trade between Africa and China increased with leaps and bounds since its entry into the World Trade Organisation in 2001. China's total exports to Africa in 1990 stood at US \$ 1187.25 million and in 2006 it jumped to US \$ 22887.60 while China's imports from Africa jumped from US \$ 349.63 in 1990 to US \$ 26855.80 in 2006⁷¹. A detailed

⁷¹ Trade data have been sourced from World Bank's Department of Trade statistics database.

table showcasing China's exports to and imports from Africa has been provided under table 4.2.

Table 4.2 – China's Export to and Import from Africa (in US million \$)⁷²

Trade	1990	1995	2000	2006
Export	1187.25	1990.39	4150.23	22887.60
Import	284.90	349.63	1353.90	4521.67

China has been viewed as a significant trade partner by African nations because of China's ability to pull out millions of people out of poverty since the 1978 economic reforms. This has also imparted China with a confidence that it can pursue commercial links with African countries and bring about mutual development on the basis of a win-win calculation. To put it simply China Africa trade is reciprocal in a very classical sense. China is an eager buyer of African resources (energy, mineral and agricultural) and Africa is an eager buyer of Chinese manufactured goods⁷³. Hence, China's trade ties with Africa are lopsided towards the resource rich countries of Sub Saharan Africa like Angola, South Africa, Egypt, Nigeria and Sudan⁷⁴. From 1990 to 2006 China has entered into nearly twenty nine bilateral investments treaties with African countries and has established bilateral joint and or mixed committees on trade and economic cooperation with forty

⁷² Ibid.

⁷³ John Murphy, "Africa China forging link; The continent has the resources, Beijing has products to trade", *The Sun*, November 24th, 2004. Accessed from: <http://search.proquest.com/professional/docview/406625322?accountid=160472>

⁷⁴ Tukumbi Lumumba Kasongo, "China Africa Relations: A neo-colonialism or A Neo-Imperialism? A Reflection", *Africa and Asian Studies*, 2011, Number 10, p.234-266.

four African countries. Chinese heads of states and dignitaries have undertaken a number of African visits to consolidate commercial links with those countries. An international mechanism like the Forum for China Africa Cooperation (FOCAC) was been set up in order to facilitate and ease out trade and commerce between China and Africa. The Chinese government has cancelled debts of a number of countries, has established zero tariff zones and created Special Economic Zones in Africa. The Ministry of Foreign Affairs and the Ministry of Commerce have been strengthened by adding a number of specialised agencies to look after specific areas such as aid, credit lines, investment etc. Chinese investments in Africa are also lopsided in nature towards the resource rich nations like Algeria, Nigeria, Sudan and South Africa. The OECD also notes that, the oil exporting countries receive the lion's share of Chinese investments as a rule. As a matter of fact, the ten largest Chinese multinational companies investing in Africa are all State Owned Enterprises and five out of them are devoted to natural resources and their peripheral sectors⁷⁵. By 2007 China had already established nearly eight hundred business ventures across forty nine African countries and had entered into bilateral investment protection agreements with around twenty African countries covering a range of measures like avoidance of double taxation, protection of assets and fair treatment. China has invested heavily in the oil industry followed by mining, fishery, timber, precious metals and infrastructure. Other than the investment destinations already mentioned Chinese investments are also noticeable in Zambia, Libya, Ethiopia, Botswana, Sierra Leone, Tanzania, Gabon and Namibia.

⁷⁵ Gaarth Le Pere, "China and Africa: Dynamics of an Enduring Relationship", *Global Dialogue*, Winter 2007, Volume 9, Number 1, pp. 69-79

China undertook an extremely significant initiative by organising the Forum for China Africa Cooperation (FOCAC) in 2000 envisaged to provide leverage to traders and investors of both Africa and China. It was the first large scale Sino-African conference held in Beijing which brought together forty African states with more than eighty foreign minister, more than seventeen industrial heads, regional organisations, NGOs, entrepreneurs under one umbrella. The forum decided to enhance South-South cooperation, consolidate the North-South Dialogue and begin debt relief programmes. The forum produced two very decisive documents providing an overall view of Chinese economic diplomacy towards Africa, called, the *Beijing Declaration* and the *Programme for China Africa Cooperation in Economic and Social Development*⁷⁶. Both these documents emphasised China's insistence upon maintaining the norms of the international order set by the UN Charter focusing on dispute settlement, peace keeping and also underlined the significance of pan African organisations like the African Union⁷⁷. Pledging adherence to these norms signifies China's intention of being regarded as a responsible power and not as a revisionist one. The second FOCAC summit was held in Addis Ababa in 2003 where Wen Jiabao declared that '*Chinese investments come with deepest sincerity and without any political conditionalities*⁷⁸'. In the words of Chinese Premier Wen Jiabao, "*We do not seek to export our own values and development models*

⁷⁶ "China's Party Paper Editorial on Success of China Africa Forum", *BBC Monitoring – Asia Pacific – Political*, October 12th, 2000. Accessed from <http://search.proquest.com/professional/docview/449765542?accountid=160472>

⁷⁷ *Text of 'China Africa Cooperation Forum' – Beijing Declaration*, *BBC Monitoring – Asia Pacific – Political*, October 12th, 2000. Accessed from : <http://search.proquest.com/professional/docview/449755414?accountid=160472>

⁷⁸ Judith Van de Looy and Leo de Haan, "Africa and China: A Strategic partnership?", *Strategic Analysis*, July – September 2006, Volume 30, Number 3, p. 563.

to Africa⁷⁹. China also granted debt relief amounting to a total of US \$ 1.27 million to several African countries in keeping with the promises made in the preceding FOCAC summit in 2000⁸⁰. Special Economic Zones were also set up in Africa in order to overcome investment obstacles and ease out trading practices between the two sides. At the third FOCAC summit held in Beijing in 2006 both the sides agreed to build up on bilateral cooperation in international forums like the United Nations to enhance their respective roles in the international order. Since 2006, there has been a noticeable increase in China's involvement with the African Union, the UN backed peace keeping operations in Africa in terms of financial and personnel contribution, large scale contribution to the Africa Development Fund, increased investment in the infrastructure sector etc. Chinese language has become a new tool of China's economic diplomacy in the recent years. A number of language training centres called Confucius Institutes have been set up in African countries to train African personnel engaged in Chinese ventures with Mandarin.

Energy diplomacy forms an important component of China's economic diplomacy. China being one of the fastest growing economies in the world has a huge demand for energy resources. In 1993, China became an importer of oil from a net exporter of the same. By 2004, China had climbed up to the position of the second largest oil importer in the world just after the United States of America owing to the demands of a wealthy society that got steadily built since the onset of economic reforms in 1978.

⁷⁹ "China provides assistance to Africa without political strings: Wen", *Xinhua News Agency*, June 22nd, 2006. Accessed from: <http://search.proquest.com/professional/docview/452501466?accountid=160472>

⁸⁰ "China writes off Rwandan debt", *BBC Monitoring – Asia Pacific – Political*, November 12th, 2001. Accessed from: <http://search.proquest.com/professional/docview/450203647?accountid=160472>

China possesses substantial coal reserves, followed by crude oil, hydroelectric sources, natural gas and nuclear energy. This being not sufficient China was compelled to look for alternative sources of energy. On the other hand Africa possesses eight percent of world's oil reserves and geologists predict the presence of several billion barrels of unexplored crude oil under the African soil. China is the third largest trading partner in the energy resources sector. The chief oil producers to china are Algeria, Angola, Chad, Sudan, Nigeria, Gabon, Equatorial Guinea and Gabon. China secures oil exploration deals with these nations by steadily advancing soft loans, credit lines, infrastructural investments, gifts, incentives and unwavering support at international forums towards the regimes functioning in these countries. Donald Kaberuka, the Finance Minister of Rwanda while talking about China's approach towards securing stable supply of oil in Africa, during Hu Jintao's visit to Rwanda, Egypt and Gabon in 2003 said, standing in front of the convention centre in downtown Kigali (capital of Rwanda),

All three are gifts of the Chinese government said Donald Kaberuka, Rwanda's finance minister. And unlike aid flowing from Washington, Paris, or London, this assistance comes with no messages about democratization or respect for human rights. It's a different way of doing business...Through a mix of development aid, private investment, and high-level political attention, China is becoming a major player in Africa...With its billion-plus people and surging economy, the world's most populous nation seems to be casting an eye toward Africa's bountiful natural resources - above all crude oil - to preserve its rising standard of living...It's about feeding their gigantic economy⁸¹.

⁸¹ *China Seeking Oil and Foothold, Brings Funds for Africa's Riches*. Boston Globe, February 22nd, 2004. Accessed from: <http://search.proquest.com/professional/docview/404876064?accountid=160472>

China's involvement in Sudan has been thoroughly criticised internationally for being absolutely objective. China's demand for energy is accorded a position of such primacy that, China has even overlooked the condition of following 'one-China policy'. Chad, which is one of the primary importers of oil to China, maintains relations with Taiwan. Furthermore, China targets the 'niche countries' as her oil importers. Niche countries as has been termed by Denis M. Tull, are those resource rich countries where there is limited international competition either because the MNCs intending to function there have limited or no access to exploration owing to the stand taken by their governments against that particular African state, for example Sudan⁸². One cannot overlook the fact that most of the resource rich countries of Africa are ruled / governed by an elite group or clique, often military and in some cases warlords who inevitably possesses the ownership of the resources. Nearly all the resource rich countries are mired with socio-political problems over the issue of ownership of resources.

Both China and India therefore have been courting Africa for their respective economies with a combination of loans, incentives, waivers and pacts. Africa's resources have pulled both the Asian powers to its corridors. An all round appreciation of China's and India's policies towards Africa would be complete after the defence ties are taken into consideration hereafter. My interaction with Mr. Zheng Aiping, a Research Assistant at the China Institute of Asian Studies, Beijing helped me gain some insight on China's Africa engagement policy. He was of the opinion that China's Africa policy is driven by the objective of developing the socio economic standard of the African countries. He further opined that China's Africa policy is not aimed at containing the influence or

⁸² Tull, Denis M. *China's engagements in Africa: Scope, Significance and Consequences*. Journal of Modern African Studies, 2006, Volume 44, Number 3, pp. 459-479.

engagement of some other external player. His opinion thus was a reiteration of the official stand taken by the government.

Defence ties: India and Africa

Defence ties do not form a very important component in Indo-African ties; nonetheless, it is mandatory that it is taken into account in order to study the contours of Indo-African engagement in the post cold war period. Defence ties between any two nations get established only when they are mutually appreciative of each others' security concerns. There has to be shared security threat or a common security understanding for defence ties to develop. Defence ties between India and Africa span across a range of activities: training of security personnel, contribution of personnel in UN peace keeping missions, assistance to defence forces, joint naval exercises etc. under the aegis of the Indian Technical and Economic Cooperation (ITEC) launched in 1964 several African countries have provided training to the defence personnel of nearly all the African countries. Training teams have also been sent to countries like Seychelles, Mauritius, Lesotho, Zambia and Botswana. Assistance has also been extended to various African countries like Nigeria set up defence academies⁸³. India has also supplied defence vehicles (small aircrafts – SDB Mk-2 type, light helicopters - SA-316 B Alouette-3 and SA-315B Lama) to African countries like Mauritius, Guinea Bissau, Namibia and South Africa⁸⁴. India has been one of the biggest contributors of men and material in UN peace keeping forces mostly operating in Africa. Countries like South Africa and Mauritius have often

⁸³ B. M. Antony, "India – Africa Defence Cooperation: Past to Future", in V.S. Sheth (ed.) *India-Africa Relations: Emerging Policy and Development Perspective*, Academic Excellence, New Delhi, 2008. pp. 287-305

⁸⁴ n 57, p. 230

expressed their desire to work in close coordination with India in security matters. The first Joint Declaration adopted by South Africa and India in 1997 called for ‘*closer institutional ties to influence global decision- making on trade, investment and security issues*’⁸⁵. Indian government had also entered into two major agreements with Tunisia in 1995 to address common security threats like terrorism, drug trafficking and organised crime⁸⁶. African countries having borne the brunt of terrorist attacks in 1998 (Tanzania, Kenya), 2002 (Mombassa) and having realised that Al-Qaeda had ensnared nearly a dozen African countries (mainly Sudan and Somalia) by setting up strong holds in secluded pockets, pushed the continent to support the Indian proposal of taking concerted action against terrorism at the Durban NAM Summit in 1998⁸⁷. Prime Minister Paul Berenger of Mauritius had expressed the desire that India play a significant role in ensuring security of its Exclusive Economic Zone⁸⁸. All these bear testimony to the fact that the African countries sport a certain degree of confidence in India owing to a number of reasons beginning with India’s insistence on non-aggression to India’s very large contribution to the UN peace keeping forces which exhibit India’s concern for peace in Africa.

China’s defence cooperation has often been criticised on the ground of aiding and abetting civil war in resource rich Sub Saharan Africa by providing a steady supply of light arms to the rebel forces. The militias operating in these regions have been able to

⁸⁵“South Africa, India to work for global peace, equity”, *The Hindu*, March 29th, 1997. Accessed from: <http://search.proquest.com/professional/docview/285977058?accountid=160472>

⁸⁶ “Two pacts signed with India”, *African Recorder*, November 5-18, 1995, Vol. XXXIV, No. 23, p. 9748.

⁸⁷ n 57, p. 228

⁸⁸ *Mauritius: Premier calls on India to ‘lend a hand’ in security, defence*, BBC Monitoring – Africa, January 12th, 2004. Accessed from: <http://search.proquest.com/professional/docview/458446841?accountid=160472>

sustain their campaign mostly because of steady supply of Chinese arms and ammunition. Countries like Sudan, Ethiopia, Sierra Leone, Democratic Republic of Congo and Zimbabwe have opened up as enthusiastic markets for Chinese arms. They have embraced the Chinese offer of arms sale more so because of them being censured by the western countries from procuring armaments from them. Often these sales have been justified by citing the insecurity of Chinese investment assets in these countries. Some Chinese arms manufacturers like Norinco are also engaged in civil engineering projects like construction of dams, roads and bridges in their client countries⁸⁹. China's involvement in the African continent being regarded with as a neo-colonial venture, China's contribution to the UN backed peace keeping forces have not received much attention. Nevertheless, one has to concede that China has broken precedents in providing assistance to the UN peacekeeping mission in Africa off late. The defence policy laid down by China in 2004 harps on bilateral exchanges, large contributions to regional security forums, strategic consultations and dialogues with the third world countries⁹⁰.

Conclusion:

First, it appears without a shade of ambiguity that, China's presence in Africa is much greater than India, be it in terms of trade - investment volume or in terms of political influence. In the area of defence cooperation too, Chinese arms have a steady market where it has no competition from India. Drawing the above inference on the basis of figures and reports would be straight jacketing India and China's engagement in a complex theatre like Africa. The ever increasing footprint of China and India in Africa

⁸⁹ n 8. p. 25.

⁹⁰ "China's Pragmatic military diplomacy in 2004", *Xinhua News Agency*, December 24th, 2004. Accessed from: <http://search.proquest.com/professional/docview/452849154?accountid=160472>

has elicited its own share of criticism. While the Chinese ventures have been often criticised because of their non-conformity to labour and environmental standards; replacing locally produced consumer durables with cheap Chinese goods; employing Chinese personnel in Chinese projects thereby creating a feeling of animosity amongst the African populace etc. Although charges against Indian run businesses have not been this severe, nevertheless, they have been slapped with charges of dishonest practices like bribery. Second, academic community and policy makers worldwide do not regard Chinese and Indian engagement in the African theatre in the same way. China's engagement is viewed and weighed with an essential element of apprehension, the analyses revolving around an assumption that China is a revisionist power on rise. Unlike China, India's engagement is not viewed with such cynicism. It is rather viewed as a classical case of an emerging power trying to make its influence felt among nations. A look at the literature related to this subject clearly shows that, a number of academic works attempting to analyse China's African involvement tries to fit in Chinese foreign policy towards Africa within the tropes of neo-colonialism while India's Africa policy has been treated by the academic community at large as a natural and inevitable manifestation of a rising power. First, Chinese and Indian policies vis-à-vis the African countries are multifaceted, showcasing an all-rounded approach based on the principles of mutual benefit and cooperation. Second, the African theatre presents itself before China and India as an economic opportunity (vast market for manufactured goods, storehouse of energy resources and other natural resources) which is why the primary thrust of their policies remains economic in nature. Lastly, since Chinese and Indian interests in this area are identical in nature, they are bound to compete in the near future over the

resources of Africa. So far as comparison between China and India are concerned, this study finds that China's engagement with Africa is much stronger owing to the governmental support that Chinese ventures receive. That China has been able to cast and project its power more effectively than India in the African theatre since the end of the cold war is a function of relative power position between the two Asian powers. The difference in their capability inevitably reflects itself in their ability to project power. Sino-Indian engagement in the African theatre also testifies Both China's and India's aspiration to be regarded as consequential players.

Chapter 5

China and India: Striving for Greater Influence over Central Asia

The end of cold war brought about momentous changes worldwide which created ripples across academic and policy making communities. Not only did it mark the ideological victory of US led capitalism but it also marked the emergence of countries like India and China as consequential players in world politics. These developments together had spawned a vast body of literature on the nature of the post cold war world order, its implications, changing equations among major powers and so on and so forth. This period, unlike the preceding ones witnessed the rise of more than one country possessing the potential of significant in controlling the contours of the world order. The trajectories of these emerging powers since then have been grabbing the attention of both policy makers and observers. Not only were their individual trajectories studied meticulously, they were also being continuously compared and judged against each other. This dissertation, as already mentioned, attempts to make a comparative assessment of the rise of India and China during the post cold war period by mapping their trajectories in select theatres of world politics. Since the study rests on the theoretical premise of Kenneth Waltz's structural realism the comparison between China and India as rising powers is being looked at from their relative power positions respectively. It therefore makes an endeavour to map the trajectory of China and India's rise in the post cold war era by carefully analyzing the underlying dynamics of their engagement in specific theatres of global politics. This chapter will try to unearth the inherent dimensions /

scope, nature and the future prospects of Sino Indian engagement in the Central Asian theatre. It begins by establishing the rationale behind the selection of Central Asia as a theatre to study Sino Indian engagement followed by a short historical account of China's and India's engagement with the Central Asian region. The chapter thereafter moves ahead to discuss the political, economic and defence aspects of China's and India's engagement policies in the Central Asian theatre.

Why Central Asia?

Central Asia, also referred to as Middle Asia is the core of the Asian continent which borders Russia in the north, Afghanistan in the south, China in the east and Caspian Sea in its west. The countries which compose this region are Kazakhstan (Astana), Kyrgyzstan (Bishkek), Tajikistan (Dushanbe), Turkmenistan (Ashgabat) and Uzbekistan (Tashkent). These countries are also referred to as the post-Soviet states since their existence as sovereign independent states has directly been a result of the implosion of the Union of the Soviet Socialist Republic (USSR) in 1991. Various other accounts on and about the region also includes Afghanistan as a component country, nevertheless this chapter sticks to the conventional understanding of the region. This region is not only closely associated with the nomadic tribes who have dominated and inhabited in the region since antiquity but the region has also witnessed the glorious days of the fabled Silk Route. It stands witness to the movement of people, goods / merchandise, ideas to and from present day West Asia, South Asia, East Asia and Europe. It is thus evident that the region not only served as an extremely significant commercial gateway but also as a crossroad of civilizations.

Selection of Central Asia as the third and final theatre to study Sino-Indian engagement has a very strong geopolitical explanation. The revival of geopolitical theory, according to Bayram Balci, Marlene Laruelle, Sebastien Peyrouse and Jean Francois Huchet, especially Sir Halford Mackinder's idea that one who controls the *Heartland* controls the world, has profoundly shaped the new policy frameworks applied to the post Soviet states of Central Asia¹. Although this region was geographically and economically isolated during the period of cold war, a theory about the revival of the fabled Silk Road flourished in the West and in other parts of Asia and it was used by some European countries and the US to promote the release of Central Asia from the Russian sphere of influence. These countries sought an opening towards the South. On the other hand countries like India, China, Pakistan, South Korea, Japan, Turkey and Iran have been making references to their historical ties with the region beyond the years of the Iron Curtain². In less than two decades the geopolitical readings of Central Asia have multiplied: the southern margins of the former Russian Empire, the eastern pole of Washington's "Greater Middle East", the new "Far West" of China and so on and so forth, implying that this region has been inviting distant powers to project themselves. With the disintegration of Soviet Union and the resultant birth of these new states, both India and China suddenly found themselves facing new set of opportunities and challenges under abruptly changed circumstances. To a certain extent, opportunities which the Central Asian countries offered to both India and China were similar. This region attracted growing Chinese and Indian economies with their vast oil and natural gas reserves. By the first decade of the 1990s it was evident that India and China would step

¹ Bayram Balci, Marlene Laruelle, Sebastien Peyrouse and Jean Francois Huchet eds., *China and India in Central Asia: A New "Great Game"?*, Palgrave Macmillan, New York, 2010, p. 3.

² *ibid* p 3.

up their energy consumption in the world market in order to keep their growth engine running. Hence, the newly formed Central Asian states provided them with a virgin territory to explore. As Meena Singh Roy writes,

Central Asia has always drawn the attention of regional and extra-regional powers because of its abundant rich natural resources, its geographical location as a land bridge between Asia and Europe and its ability to play a role in the world stage...today the Central Asian region has emerged as a geopolitical space where numerous regional and major powers are competing to enhance their influence and control the energy resources of the Eurasian region³.

These countries also presented huge economic opportunities to rising India and China in terms of unexplored market opportunities. Hence, the creation of these states awakened ancient historical myths, like the Silk Road – a route through which the riches of Asia reached the Mediterranean and beyond. Such evocations were aimed at achieving greater access to the economic hinterland which had suddenly become available.

Nevertheless, having an easy access to the land of opportunities was becoming elusive for both China and India owing to the extremely unstable periphery of the Central Asian countries. Afghanistan was increasingly coming under the fanatical control of the Taliban forces which had made the entire region vulnerable to the forces of Islamic fundamentalism. To complicate matters, the ethnic similarity between inhabitants of south western China (primarily Xinjiang) and the people of Turkic origins residing in Central Asia fuelled the demands of a state of East Turkestan spearheaded by the Uighur community residing in Xinjiang. India which does not share a land boundary with any of

³ Meena singh Roy, “India’s ‘Connect Central Asia’ Policy: Building Cooperative Partnerships”, *Indian Foreign Affairs Journal*, Volume 8, Number 3, July – September 2013, p. 301.

the Central Asian states also became vulnerable because of the nexus that developed between the fundamentalist forces of Afghanistan and Pakistan. Owing to the growing influence of the fundamentalist forces in these countries, this region also became a hotbed for drug trafficking, small arms trade, money laundering etc. Everything taken together, Central Asia became a top security concern for both China and India. It thus became imperative for China not only to stabilise her borders with the Central Asian states and engage the countries economically in order to stabilise the region, but also to resist any kind of support (to the Uighur separatist demands) entering Xinjiang from the Central Asian states. On the other hand Central Asia also became an important security concern for India owing to the sinister nexus that had developed amongst the separatists in Kashmir with the fundamentalist elements of Afghanistan. This nexus was making it nearly impossible for India to reach out to the Central Asian states in order to take their relationship forward. The 9/11 terrorist attacks on the US further complicated matters with USA making a direct entry in the region by declaring war on terror and establishing an air base deep within the Central Asian region⁴. These factors together make Central Asia an important theatre to discuss Sino Indian engagement during the post cold war era. Since, this area, in its present form has been just a few decades old; China's and India's engagement with this region has remained relatively underexplored. Since both India and China were central to the Silk Route, these countries share a certain degree of affinity with the Central Asian states. It has been rightly pointed out by Ramakrushna Pradhan Central Asia happens to be an extended and strategic neighbourhood for both India and China (the latter shares 3000 kilometres of strategic frontiers with the Central Asian

⁴ USA had set up a transit air base in Manas, Kyrgyzstan which was set up to optimise the offensive tactics of the US forces entering Afghanistan in the aftermath of 9/11.

states) , having geographical proximity, cultural affinity and shared history with it⁵. It thus becomes relevant to map the rise of India and China in the Central Asian theatre. Before we separately take up various aspects of their engagement with the Central Asian states, a brief historical account of their respective relationship with the region would be prudent.

The Region's relationship with China and India: A Historical Account

The long standing relationship between India and Central Asia dates back to the ancient times during the heydays of the grand old Silk Route. Their relationship was multifaceted to say the least. It amply covered all the aspects: political, cultural, economic and religious. Their relationship did not stumble upon any irritant thereby symbolising a story of mutual trust and cooperation primarily because Central Asia served as a land bridge for promoting Indian commerce and culture across Asia⁶. It facilitated the movement of men, material, ideas and faith between two distinct regions. India's ties with Central Asia suffered during the British colonial days but efforts towards reviving them were underway immediately after India gained its independence. Historical ties between the Indian subcontinent and Central Asia were cordial until the mid- nineteenth century when the Khanates of Bukhara and Khiva were incorporated into the Romanov empire⁷. India's friendship treaty with the Soviet Union facilitated its cultural anchorage in the region which is present day Central Asia. Anita Inder Singh, a noted observer of India's ties with Central Asia in one of her articles said that, during her visit to Tashkent,

⁵ Ramakrushna Pradhan, "Dynamics of India Central Asia Relations: Energy as a Strategic Factor" in *Journal of Central Asian Studies*, Volume XX, No. 9, 2011.

⁶ P. Stobdan, "Central Asia and India's Security", in *Strategic Analysis*, Volume 28, Number 1, January – March 2004, p.55.

⁷ Anita Inder Singh, "India's Relations with Russia and Central Asia", *International Affairs*, Volume – 71, Number 1, 1995, p 77.

Samarkand and Bukhara in 1985, she met Uzbeks who told her although they had never visited India they felt culturally close to it. Upon being enquired further they replied saying that despite Iran and Pakistan being Islamic countries they did not feel a similar sense of affinity primarily because of their hostility towards the USSR during the cold war days⁸. Thus India's cultural presence in the Central Asian region not only stemmed from its closeness to the Soviet Union but also because of the Sino-Soviet rift that had distanced the two socialist neighbours. However, it always remained "muted and constrained by its ties with the Kremlin"⁹. A huge wave of reforms swept the Indian economy after the end of cold war and a commensurate change was visible in her overall foreign policy stance. India began reorienting her foreign policy not only towards the major players but also vis-a-vis her immediate and extended neighbourhood which included the five central Asian states. As the first decade of the post cold war era moved on, Central Asia assumed a great deal of strategic significance so far as India was concerned. India's policies in the region since then has been a curious mix of regaining the long lost cultural anchorage and gaining political, economic and defence leverage in the region as against China.

In all likeness to the Indian experience China also has its share of historical connections (political, economic, cultural and religious) owing to her significant position in the silk route. China's south western province of Xinjiang shares an unmistakable affinity with the Central Asian states in terms of religion and habitat. They share a deep ethnic bond which dates back to the ancient times. After the termination of the Ching rule in China (1911) and the establishment of Soviet power in Central Asia (1917- 1920), a new phase

⁸ n 7, p. 77.

⁹ n 5, p.144.

of Sino-Soviet relations began over Central Asia. The Chinese warlords taking advantage of their distance with the central authority chose to maintain cordial ties with the Soviet authorities. Direct economic, political and military linkages were developed¹⁰. Effectively five Chinese consulates were established in Uzbekistan (each in Tashkent and Andijan) and Kazakhstan (each in Alma Ata, Zaisan and Semipalatinsk) in exchange for establishment of an equal number of Soviet consulates in Xinjiang. Soviet influence over south western China began declining after 1949. By that time the Eastern Turkestan Liberation Movement had already located support on both the sides of the border. Their demands were crushed as early as 1930s and 40s with active help from the Soviet military. Owing to the Sino-Soviet rift which took the socialist neighbours away from each other during the 1960s, Chinese presence among the present day Central Asian states was limited. The disintegration of the Soviet Union and the resultant emergence of these five countries as sovereign, independent nation states in 1990-1991 compelled China to redesign her strategy in the region. With the onset of economic reforms in 1978 and the sudden removal of the cold war cage from global politics China began prioritising Central Asia by engaging economically (through commercial ties), politically (by stabilising borders) and militarily. China also adopted a multilateral approach with the Central Asian region with the aim of stabilising the region so that her own disturbed south western province remains isolated from external support and influences; and so that she can achieve greater influence in the resource rich zone vis-a-vis other external players.

¹⁰ K. Warikoo, "Central Asia – China Cooperation: Lessons for India", *Himalayan and Central Asian Studies*, Volume 17, Number 3 – 4, July – December 2013, p. 95.

Political ties between India and Central Asia:

India recognised the independence of each Central Asian state and has been exchanging regular high level visits with these countries especially since the latter half of the 1990s. During a visit to Turkmenistan in September 1995, the then Prime Minister of India, P.V. Narasimha Rao said

“...for India, Central Asia is an area of high priority, where we aim to stay engaged far into the future. We are an independent partner with no selfish motives. We only desire honest and open friendship and to promote stability and cooperation without causing harm to any third country.¹¹”

The above lines succinctly capture the larger aims of India's Look North Policy which can be regarded as the basic framework of India's relations with Central Asia. Nevertheless, India's relations with the region got a boost only after nuclear tests were conducted by India in Pokhran 1998. Although the process of economic liberalization had begun in 1991, India came to be regarded as a significant player only after Pokhran II. It is considered by scholars worldwide to be a major event which signalled India's rise as an emergent power.

It was largely felt in the policy making circles that despite proclamations about India's rich historical links with the region and Central Asia being a part of India's 'extended strategic neighbourhood', much has not been done to engage the countries of Central Asia. India was a late starter in the Central Asian chessboard owing to her pre-occupation with the economic reform, insurgency in Jammu and Kashmir and resultant unfriendly ties with neighbouring Pakistan during the first half of the 1990s. It was widely accepted that the gap between good intentions and delivering substantial policies was responsible

¹¹ Quoted in S.D. Muni, "India and Central Asia: Towards a Cooperative Future," in N.Joshi (ed.), *Central Asia- The Great Game Replayed: An Indian Perspective*, New Century Publications, , New Delhi, 2003, p.110

behind India's relegation as a mere spectator in the region¹². Delhi's Look North policy therefore adopted greater assertiveness. The adoption of Gujral Doctrine in 1997 also ascribed Central Asia a prominent place in India's foreign policy priorities. The fast changing security situation in and around Central Asia and its security implication brought the Central Asian states and India closer to each other. The other factor which brought about closeness between the two was energy. The relations between the two regions have been established on the basis of new geopolitical realities. India is geographically close to Central Asia and it has close and longstanding historical and cultural ties with Central Asia. Historically traders and travellers have moved back and forth between India and Central Asia. This has facilitated continuous cultural exchange and integration. Treaties have been signed encompassing all possible areas of cooperation ranging from extradition treaties with Tajikistan, Kazakhstan to establishment of joint working groups to address the common menace of terrorism, drug trafficking etc, offering each other legal assistance to solve criminal matters, establishing joint economic ventures, facilitating cultural exchanges, etc. India has also signed treaties which establish the basic principles of friendship and cooperation among India and five countries¹³. In 2005 India became an observer in the Shanghai Cooperation Organisation and a member of the Conference on Interaction and Confidence – Building Measures in Asia¹⁴. .

¹² Emilian Kavalski, "An Elephant in a China Shop? India's Look North to Central Asia...Seeing Only China" in Bayram Balci, Marlene Laruelle, Sebastien Peyrouse and Jean Francois Huchet eds., *China and India in Central Asia: A New "Great Game"?*, Palgrave Macmillan, New York, 2010, p. 44.

¹³ A detailed account of the treaties can be found in the 'treaties database' at the Ministry of External Affairs website.

¹⁴ n 5, p.145

Central Asia as a region has received further prominence in the recent years through India's 'Connect Central Asia' policy, adopted in 2012 which has a vision to build a long term cooperative partnership with this region. This broad based policy approach includes political, economic and cultural engagement between India and Central Asia. To quote E. Ahmad, Minister of State for External Affairs, "India is now looking intently at the region through the framework of its 'Connect Central Asia' policy, which is based on pro-active political, economic and people-to-people engagement with Central Asian countries, both individually and collectively"¹⁵. In the same year, India's Central Asia policy got a new push during External Affairs Minister S.M. Krishna's two day visit to Tajikistan which underlined India's growing interest in cultivating stronger ties with the Eurasian region. To remain connected with the region and to bring all Central Asian countries on the same platform for better understanding, India has also initiated an annual India-Central Asia Dialogue, a track II initiative. The first and the second were respectively conducted in 2012 and 2013. The various facets of the Connect Central Asia initiative include India's engagement in economic, political, strategic fields, in education, connectivity, culture and people-to-people contacts¹⁶.

In spite of possessing a strong historical legacy in the Central Asian region India has not been able to accord her political ties with the region much weight. Since the major objective to engage with Central Asia remains regional security and gaining energy

¹⁵ Keynote address by MoS Shri E. Ahamad at First India-Central Asia Dialogue, June 12, 2012, *India's Connect Central Asia Policy*, at <http://www.mea.gov.in/Speeches-statements.htm?dtl/19791/Keynote+address+by+MOS+Shri+E+Ahamed+at+First+IndiaCentral+Asia+Dialogue>, accessed on September 2015

¹⁶ n 3, p.303.

resources from the region, most of the initiatives are either economically oriented or are truly strategic in nature.

Political Ties between China and Central Asia:

As the five Central Asian states declared their independence in 1991 Chinese foreign policy makers began frantically redesigning their stance in order to address the fresh challenges and unanticipated opportunities. These challenges and opportunities were instrumental in shaping the Central Asian policy of China, which was one of the first countries to recognise and establish diplomatic relations with the Central Asian states. At that time China was also wary of Taipei's moves vis-a-vis these newly independent post Soviet states. China's main concern lay elsewhere. The sudden independence of these states from USSR implied that China would have to deal with three new additional neighbours, Kazakhstan, Kyrgyzstan and Tajikistan, controlling the long and difficult terrain all the way from the Altai mountains near Outer Mongolia in the north to Afghanistan's Wakhan corridor in the south. It became imperative for the Chinese government to convince these states to carry on with the border negotiations which were initiated during the Soviet days under President Mikhail Gorbachev. Since none of the countries questioned the veracity of the Treaty of St. Petersburg (signed in 1881 between the Manchu and Russian emperors over the delineation of the western border) negotiations resumed on the basis of these old accords¹⁷. Border agreements were signed between China and Kazakhstan, Kyrgyzstan and Tajikistan in October 1992 which approved the sanctity of the borderline¹⁸. Beijing had ensured that these newly

¹⁷ Jean Pierre Cabestan, "Central Asia – China Relations and their Relative Weight in Chinese Foreign Policy", in Bayram Balci and et.al. (eds.), *China and India in Central Asia: A New "Great Game"?*, Palgrave Macmillan, New York, 2010, p. 26.

¹⁸ Ibid. p 27

independent countries recognise Xinjiang to be an inalienable and undisputed province of China. The 1978 reforms which swept China economically had a strange effect on China's south western province of Xinjiang. The independence of the Central Asian states was coincidentally timed with the inhabitants of Xinjiang receiving some amount of political independence because of the 1978 reforms and the increasing Talibanization of Afghanistan. These events together stirred the separatist demands of East Turkestan in Xinjiang. The Central Asian states, upon whom independence was thrust, were not prepared to provide any kind of substantial support to the Uighur separatists based within their territories and those who lived on the other side of the fence. Hence, the border agreements were signed between these countries and China with a common conditionality of not helping the fringe separatist elements of Xinjiang attached to each of them. These countries were also provided with an additional economic incentive from China which removed the last shred of doubt from the minds of the Central Asian leaders about helping their brethren suffering under an authoritarian rule across the border. For example, Kazakhstan committed itself not to shelter Uighur anti-government separatists in 1998 in exchange of a \$9.5 billion investment package which also included the construction of a 3000 kilometre long pipeline to Xinjiang¹⁹. In the late 1990s Kazakh and Kyrgyz governments also banned all Uighur political activities and organizations, allowing only cultural organizations to operate. Teaching in Kazakh universities on Xinjiang is still today done under strictly controlled syllabus outlines. The need for a comprehensive regional strategy for maintaining ethnic stability in and around Xinjiang

¹⁹ n 17, p. 28.

came to the forefront in the late 1990s although this was one of the chief driving forces behind China's Central Asia policy soon after the states were born in 1991²⁰.

China launched an unprecedented initiative in 1996 by suggesting the setting up of a regional grouping called the Shanghai Five or Shanghai Group which was later elevated to a proper multilateral security structure and renamed as the Shanghai Cooperation Organization (SCO). This regional initiative spearheaded by China underlined a marked change of approach in the Chinese policy making circle. Although, since the adoption of the reform process of 1978 China had been proclaiming the necessity of a peaceful and stable neighbourhood in order to maintain a conducive environment for economic advancement, embracing a multilateral initiative came as surprise to all China observers. The creation of this regional grouping was a clear admission that China and the Central Asian states were not being able to address the common menace of fundamentalist forces separately. In July 1998 the Shanghai Five decided to give priority to the common fight against what since then has been called in China's official press the "three evils": "separatism, extremism and terrorism".

Similar steps were taken by the organisation few years later resulting in the expansion of the Group and renaming the Shanghai Five as the Shanghai Cooperation Organisation in 2001. Very soon a security dimension was added to the scope of the body which allowed its members to better interact and cooperate in their fight against terrorism through their respective law enforcement agencies. In 2007 SCO concluded a "treaty of long term good neighbourliness and friendly cooperation".

²⁰ Kevin Sheives, "China Turns West: Beijing's Contemporary Strategy Towards Central Asia", *Pacific Affairs*, Volume 79, Number 2, Summer 2006, p. 207.

The terrorist attacks of 9/11 changed the situation as it witnessed the direct entry of the United States in the region with two air bases in position which had active Russian support. One was established in Karshi – Khanabad popularly known as K2 (Uzbekistan) and the second one was at Manas (Kyrgyzstan). SCO quickly adapted to the changed environment and China took the opportunity to link the East Turkestan Independence Movement to the UN list of terrorist organisations. The SCO not only strengthened its own coordination network but also decided upon a common approach to address the situation. Not only was its organizational structure uplifted, the organisation also received a permanent secretariat and an anti-terrorism intelligence centre. Its mandate was further altered and the clause of non-interference in domestic matters was included in 2005 at a summit in Astana. The Tulip Revolution in Kyrgyzstan (2005) and the repression of the Andijan Riots in Uzbekistan (also 2005) thus made ‘non-interference in the domestic affairs of another country’ a milestone of China’s Central Asia policy. In an interview, Uzbek President Islam Karimov taken during his visit to Beijing soon after the riots said while referring to the riots that, *“cracking down on international terrorism, secessionism and radicalism is a priority direction of Uzbekistan’s policy”* and that *“only with the active participation of our neighbours and surrounding countries in this part of the world will our fight against the transnational threats be effective.”*²¹ On the other hand during a press conference during Karimov’s visit, PRC Foreign Ministry spokesman Kong Quan reiterated the countries’ mutual desire to rid Central Asia of the ‘three forces’ further stating that *“we support Uzbekistan government’s efforts to stabilise its domestic situation.”*²² Thus, in order to maintain stability China showed its acceptance of an

²¹ “Uzbekistan President Karimov on visit to PRC”, *Xinhua*, 25 May, 2005.

²² PRC Foreign Ministry Spokesman Kong Quan at a press conference, *Xinhua*, May 25, 2005.

authoritarian regime so long it was able to tackle unrest with an iron hand. China thus has consistently used the vehicle of the SCO to pursue its stability interests in Central Asia thereby not being limited by its norms in way. China has effectively secured its interests in the region by maintaining stability, insulating Xinjiang from external influences and engaging with the Central Asian states economically through the SCO mechanism. In fact, China's enthusiasm in engaging with the region through a multilateral forum is a point which ought to be noted.

Economic Ties between India and Central Asia:

While analysing India's Central Asia policy Scott Moore rightly regards the region as India's *bridge* and *buffer*²³. Moore is of the opinion that as a *bridge* Central Asia provides a 'near abroad' market for India's emerging export industries. The region, he says, promises overland routes to the rich resources of Russia and the Middle East. So far as short term growth of India is concerned, the region is home to significant energy supplies which are indispensable for the Indian growth engine. For years India and Central Asia have witnessed the passage of traders, merchandise, ideas and armies crossing its lands connecting a huge stretch from east to west. Today Asia's heartland offers similar opportunities to modern India. Some estimates say that Central Asia is a consumer market of 55 million with 'huge potential waiting to be tapped'. Nevertheless, trade between India and Central Asia does not relate a very good story: Indian exports to the region were valued at just US\$ 67 million in 2006-2007 (representing only 0.16 % of total exports) and imports from Central Asia accounted for less than 1% of India's total

²³ Scott Moore, "Peril and Promise: A Survey of India's Strategic Relationship with Central Asia", *Central Asian Survey*, Volume 26, Number 2, June 2007, p.280

for the same period²⁴. Tables 5.1 and 5.2 clearly reflect India's commercial engagement with the region.

Table 5.1

India's Export to and Import from the Central Asian Countries in US million \$²⁵

Serial Number	Name of the Country	1990	1995	2000	2006
1.	Turkmenistan	X	1.20	3.43	21.92
		X	4.17	0.93	14.81
2.	Uzbekistan	X	5.73	9.53	28.62
		X	10.79	11.20	33.80
3.	Kazakhstan	X	19.69	39.95	135.35
		X	7.76	13.88	28.65
4.	Kyrgyzstan	X	0.04	16.65	5.65
		X	0.01	3.75	4.07
5.	Tajikistan	X	4.85	3.30	8.75
		X	2.36	0.95	0.01

- The figures in blue indicate total import value

²⁴ Ibid, p.286

²⁵ The trade data have been sourced from the Department of Trade statistics of the World Bank.

India is the sixteenth most important trading partner for Uzbekistan and twenty-second for Tajikistan. Joint ventures in pharmaceuticals have existed in Tajikistan and Turkmenistan since 1996, with the assistance of substantial Indian financing²⁶. In the pharmaceuticals sector Indian companies command nearly 30% of the market and this is steadily increasing. Kazakhstan has also expressed interest in acquiring Indian expertise to develop the information technology sector. Kazakhstan has launched a Programme of Non-Industrial Development and Investment for the period of 2003 to 2015. During Nursultan Nazarbaev's 2002 visit to India, this sector was decreed one of the principal areas for bilateral cooperation²⁷. Kazakhstan has entered into a number of bilateral arrangements with India in this sector ranging from opening a collaborative technological centre in its public school system to setting up an intranet system for the Kazakh national education system. The umbrella organisation for IT companies of India, the NASSCOM, is actively engaged in charting cooperative programmes in this sector²⁸.

India's economic relation with Central Asia is chiefly driven by her thirst for gaining energy resources in the region. The continental resources of the Caspian basin (Kazakhstan and Azerbaijan) and those of Turkmenistan and Uzbekistan are coveted by India. Indian players in the Central Asian energy market are Oil and Natural Gas Company (ONGC), Punj Lloyd, Indian Oil Corporation, the national gas company GAIL and Mittal. Lack of aggressive campaigning and relative dearth of governmental backing has stopped India from making forays into the Tengiz, Karachaganak and the Kashagan

²⁶ Ministry of External Affairs (GOI), "Central Asia: India's Foreign Policy", accessed from http://www.indianembassy.org/policy/Foreign_Policy/casia.htm

²⁷ Sebastien Peyrouse, "Comparing the Economic Involvement of China and India in Post Soviet Central Asia", in Bayram Balci and et.al (eds.) *China and India in Central Asia: A New "Great Game"?*, Palgrave Macmillan, New York, 2010, p. 168

²⁸ P. Sneha Chrysolite, "IFBI and Republic of Kazakhstan Enter into Education JV", *IT People*, December 3, 2001, <http://www.itpeopleindia.com/20011203/careers1.shtml>

oil fields of Kazakhstan which are still dominated by big western firms. Although India has signed a spate of memorandums of understanding and agreements with Kazakhstan and Turkmenistan on easing transportation through pipelines, India's involvement in the Caspian energy basin is extremely modest²⁹. Despite continuous efforts to purchase oil and gas from the region India has not seen much success. India has lost most of the bids to none other than China. Indian companies have some presence in the ancillary activities of the petrochemical sector. For example, India is involved in a number of engineering and petro chemical infrastructure projects in Kazakhstan since 2002. In 2006, during a visit by Indian Prime Minister Manmohan Singh to Tashkent, a series of documents were signed between the two countries, including a memorandum between GAIL and Uzbekneftegaz. It provided for joint exploitation and exploration of Uzbek sites as well as construction of liquid gas and oil factories in the western region of Uzbekistan. In 2007 ONGC – Mittal Energy made an acquisition of 30% of shares of the two oil sites of the Turkmen sector of the Caspian Sea followed by a new memorandum between India and Turkmenistan for cooperation in oil and gas sector. India's Jagson Oil made investment worth more than US\$ 1 million in order to build six fill up stations in the Osh region of Kyrgyzstan.

In spite of these agreements India does not rank among the ten biggest players in the Central Asian energy market. India's success in this sector will be greatly determined by the fate of the two proposed pipeline projects, one covering Iran-Pakistan-India (the IPI pipeline connecting the South Pars gas field of the Persian Gulf to Gujarat) and the other connecting Turkmenistan-Afghanistan-Pakistan-India (TAPI pipeline) which is being blocked because of the unstable situation in Afghanistan. When it comes to

²⁹.ibid., p. 165

collaboration in infrastructure projects, India is once again sidelined by other external powers like China mostly because of the lack of governmental support in comparison to that received by other players like China. Central Asia has precious reserves of precious and non-precious minerals: copper, gold, uranium, zinc, iron, tungsten and molybdenum. Kazakhstan has nearly 8% of the world's iron ore mines, has the second largest reserve of manganese and has nearly one third of the world's chrome deposits. In 2006 Indian government expressed its interest in Kazakhstan's metal resources, in particular for gold as well as precious and semi-precious stones resulting in a number of joint ventures. Central Asia is also known for their uranium reserve which is a coveted resource to say the least. India's refusal to accede to the Nuclear Non-Proliferation Treaty remains marginalised in this sector. In terms of investment too, India lags behind most of the external players. The only investment which India has is that of the Mittal in the metallurgical sector of Kazakhstan. Promising areas of India – Central Asia cooperation according to analysts seem to be textile industries, silk worm breeding, agriculture, space technology, pharmaceuticals etc.

Economic Relations between China and Central Asia:

Since its very inception Beijing's Central Asia policy has had a strong economic component. As early as 1991-92 China had undertaken building roads connecting Urumqi to Alma Ata / Almaty and also completed an unfinished project which was abandoned during the Sino-Soviet rift. Beijing has actively pursued commercial relations with the newly independent Central Asian states soon after they were born out of the disintegration of Soviet Union. Investment in the infrastructure sector had already begun during these years. After the establishment of SCO and the events of 9/11, China's

Central Asia policy came to lay more emphasis upon economic and energy cooperation. Chinese President Wen Jiabao went to the extent of suggesting turning SCO into a free trade zone. Since 2001, border trade through Kazakhstan, Kyrgyzstan increased in leaps and bounds thereby making the Central Asian markets more and more dependent upon Chinese goods³⁰. China is the largest trading partner of Kyrgyzstan, the second largest of Uzbekistan, Kazakhstan and seventh for Turkmenistan. The recorded trade volume between China and Central Asia increased from a total of US\$ 465 million in 1992 to US\$7.7 billion in 2007³¹. The trade data shown in Table 5.2 can be referred to for further details.

Table 5.2

China's Export to and Import from the Central Asian States in US million \$³²

Serial Number	Name of the Country	1990	1995	2000	2006
1.	Turkmenistan	X	11.27	1077.89	7306.73
		X	X	6.33	1.22
2.	Uzbekistan	X	47.57	39.43	406.10
		X	X	70.58	7.62
3.	Kazakhstan	X	75.45	598.71	4751.53

³⁰ n 17, p. 33

³¹ Sourced from Ministry of Commerce, PRC database cited in Niklas Swanstrom, "China's Role in Central Asia: Soft and Hard Power", in *Global Dialogue*, Volume 9, Number ½, Winter 2007, p. 83.

³² The trade data have been sourced from the department of Trade statistics, World Bank.

		X	X	315.18	960.76
4.	Kyrgyzstan	X	107.5	110.17	2113.02
		X	X	123.54	42.44
5.	Tajikistan	X	14.62	6.79	305.70
		X	X	9.24	5.45

- The figures in blue indicate total import value

China's trade with Central Asia is primarily composed of natural resources (oil and gas) and this trade is largely carried out through Xinjiang. Among the five Central Asian states, Kazakhstan alone accounts for nearly 80% of Chinese trade. Although China is trying to rectify this lopsided nature of bilateral trade the natural advantages that Kazakhstan enjoys over the other states is expected keep the differences alive. Kazakhstan is the only Central Asian state which enjoys a natural advantage of sharing a very long land border with China. Central Asia also plays an instrumental role as a transit region in China's foreign trade. This advantage has translated to a robust relationship with China. China has also invested substantially in developing a viable infrastructure linking Xinjiang with the neighbouring Central Asian nations. it has improved its link with Kyrgyzstan by renovating and repairing the Osh-Sarytash-Irkeshtam highway running from the Kyrgyz south to the border of PRC. The China Development Bank has also financed a US\$30 million grant to construct the Norak tunnel under the Shar-Shar pass in central Tajikistan (connecting Dushanbe and Tuliab), which when operational would significantly improve intra-regional connectivity. Similar infrastructural projects have been undertaken by China in Kyrgyzstan (where power stations were built),

Kazakhstan (power transmission lines were constructed with financial assistance from the China Development Bank) etc³³.

A substantial part of China's economic relations with Central Asia is occupied by her energy resource acquisition in the region. The main Chinese players in the Central Asian energy market are the China National Petroleum Corporation (CNPC) and its affiliates such as the China National Offshore Oil Corporation (CNOOC) specializing in foreign investment, the National Oil and Gas Exploration and Development Corporation (CNODC) and the firm Sinopec (China National Petroleum Corporation). These firms enjoy Beijing's diplomatic and financial support enabling them to outbid competitors during negotiations. This invaluable support comes with packages which the Chinese negotiators euphemise by calling them 'good neighbour measures' which often include complementary financial perks aimed at outbidding other parties. The general Chinese strategy has been to connect all the acquired fields to the Sino-Kazakh pipeline. China is also interested in the gas deposits of Uzbekistan and Turkmenistan. In this sector China has once again convinced Ashgabat, Tashkent and Astana to jointly build and use a pipeline which would stretch from the right bank of the Amu-Darya basin to Xinjiang in the south west of China. Beijing has successfully acquired extraction rights in Turkmenistan's gas fields on a production-sharing basis by granting the Turkmen government a US\$3 billion to develop the promising South Yolotan gas field.

Beijing has also shown considerable interest in the Central Asian electricity sector. The aim of China in this case is not to have this hydro-electricity delivered to the large cities in the east but rather to make up for the energy shortfall in Xinjiang. China is also interested in selling Central Asian hydroelectricity to the countries of the southern

³³ Ibid, p.84

corridor of the region like Afghanistan, Pakistan, Iran and India considering the large amount of transit fees it would generate. Beijing also has a presence in the metallurgical sector of Central Asian economy mainly in the gold mines of Kazakhstan and Kyrgyzstan. There are a number of Chinese joint ventures in this sector which forward Chinese economic interests. The last and the final component of China's economic policy in Central Asia is the region's uranium reserve which is highly coveted by a rising power like China. Kazakhstan is the largest supplier of uranium to China.

So far as economic engagement with Central Asia is concerned both China and India have proven their interest in the Central Asian energy market beyond any shred of doubt. In spheres of infrastructure building, commodity trade etc. China is in a better position than India owing mostly to the natural advantage of land connectivity she has with the region.

Defence relations between India and Central Asia:

The *buffer and bridge* analogy forwarded by Scott Moore in order to explain the basic crux of India's Central Asia policy has already been referred to. Moore further states that there are three aspects to the 'buffer' syndrome which defines India's defence relations with Central Asia. They are namely: the spectre of the Islamic crescent, the arc of instability and the peril of encirclement. The sources behind India's insecurity vis-a-vis the region have already been highlighted in the previous sections. Talibanisation of Afghanistan has changed the regional situation over a period of time. Fundamentalist elements had begun ensnaring all the countries in the vicinity which made India an extremely vulnerable target owing to the bilateral dispute regarding the status of Jammu and Kashmir with its neighbour Pakistan. The security threats which emerged along with

it are small arms trade, drug trafficking and organised crime. India's Central Asia policy has been primarily driven by this concern. India has always aimed at increasing her influence among the Central Asian states with aims of bringing stability in the region. India has a major security presence in Tajikistan, which lies astride both Pakistan and Afghanistan. It has been manifested both in increasing contacts with the Tajik military as well as the physical presence of Indian military units. In 2004, a large number of Tajik military cadets were studying in India than Russia³⁴. In 2006 it was reported that India would position MiG-29 fighter bombers and train Tajik Air Force under a 2002 agreement³⁵. Joint working groups to address terrorism have existed between India and Kazakhstan since 1996. These moves speak a lot about India's sense of insecurity that guides her Central Asia policy. India's keenness about becoming a part of the Shanghai Cooperation Organisation, which has a strong security component added to its mandate, also stems from a certain degree of insecurity of being encircled by hostile neighbours slowly and gradually. India and Pakistan have been granted observer status at the SCO following relentless trials. An observer status at the SCO will enable India to have a deeper engagement with the region. On a visit to Uzbekistan, Indian Prime Minister Manmohan Singh in 2006, he highlighted the 'common threats of terrorism, fundamentalism and religious extremism, as a basis for cooperation with Central Asian nations'³⁶. This cooperation has so far remained limited to joint training programmes for example: joint exercises by Uzbek troops at India's Counter Insurgency and Jungle Warfare School designed to counter narco-terrorist activity. SCO's Regional Anti-

³⁴ Elisabeth Wishnick, "India walks Central Asian tightrope", *International Relations and Security Network*, 2003. Accessed from http://www.isn.ch/news/sw/details_print.cfm?id=7245

³⁵ "India to deploy MiG-29 fighter bombers at Tajikistan base", *Hindustan Times*, April 20, 2006.

³⁶ "PM's open remarks at the joint press conference with Uzbekistan President", India Press Information Bureau, April 26, 2006. Accessed from <http://www.opensource.gov>

Terrorism Structure (RATS), established in Tashkent, provides a mechanism for intelligence sharing and conducting joint operations.

Defence relations between Central Asia and China:

China's broad security goal in the Central Asian region has been to create stable and friendly regimes that support China in its strategy of combating the "three evils" – and also which prevents separatists from gaining a foothold in Central Asia and Xinjiang. China's aim has also been securing trade and business in and beyond the region. China has engaged all states in the region in security dialogues and has increased security cooperation, both through the SCO and more importantly bilaterally. While China's traditional focus in the security field has been to eradicate the so-called three evil forces, stabilizing the neighbouring region. China is still largely an external actor and has no military bases in Central Asia. A great deal of military support has been extended to SCO and the individual states to combat the growing extremism and terrorism by Beijing. China has boosted military aid to all Central Asian states, even if still in relative terms it remains modest. Beijing has pledged large amounts in military aid to Kyrgyzstan and Tajikistan, the two Central Asian states most affected by internal strife, the Chinese National Defence University as well as other military organizations in China have seen a great increase in visitors and students from the Central Asian states. China has also begun a modest arms sale and military aid to the countries of the region. Currently this is primarily in light weapons, such as sniper rifles to Uzbekistan, and military equipment, such as flak jackets and night vision equipment and vehicles, but more substantial

systems are being considered³⁷. China's security diplomacy has traditionally been bilateral but increasingly SCO has grown to become more important. In fact, it has been argued that the SCO security structures are embryonic and the security development is only symbolic.

Conclusion:

A detailed discussion of the three important aspects of China's and India's Central Asia policy leads us to infer the following. Central Asia, as a theatre is an extremely significant chip in China's and India's security matrix. It has become so since the region came under the influence of fundamentalist forces since mid 1990s. Its geo-strategic location vis-a-vis India and China posed a direct threat to the territorial integrity of China's south west (already simmering with demands of separatism) and in a similar manner also threatened India's security with the show of solidarity of regional fundamentalist forces to the separatists operating in India's disputed state of Jammu and Kashmir. Thus, security interest has been the prime driver of their respective Central Asian engagement policies. In terms of *dimension* or *scope*, both China and India exhibit economic centricism in their respective engagement policies. While analysing the *nature* of Sino-Indian engagement in Central Asia it becomes apparent that, although India and China have tried to court the Central Asian states in a multifaceted manner there seems to be a certain inclination towards economic engagement especially in the sector of energy resources. Maintaining political contacts through high level visits for example have been accorded a supplementary role in order to further economic relations. China's economic engagement as compared to that of India's is much more robust and focussed in its

³⁷ Niklas Swanstrom, "The Security Dimension of the China – Central Asia Relationship: China's Military Engagement with the Central Asian countries", US Congressional Committee Report, March 18, 2015. Accessed from http://www.uscc.gov/sites/default/files/Swanstrom%20Testimony_3.18.15.pdf

approach. China's Central Asia policy is a two pronged policy resting on maintaining regional stability as a check against the restive nature of its south western province and gaining economic foothold over the region (mainly in the energy sector). Even though India's Central Asia policy is similarly guided by security considerations and India has a large appetite for energy resources, compared to China it becomes evident that, there is a considerable difference of the degree and scale engagement with the Central Asian region.

Since both India and China have been eager at maintaining regional stability by keeping a check on the activities of the fundamentalist elements, it might be said that the *future* of Sino Indian engagement in Central Asia would witness both the countries chalk out cooperative strategies of engagement in the region. Nevertheless, looked at from the economic point of view, chances of cooperation seem slimmer since gaining economic muscle in the region is a zero-sum game for emerging countries like India and China. India does not have an all-rounded engagement policy with the Central Asian countries unlike China. In case of India, the absence of sufficient cultural exchanges between the two is a major drawback. Second, the predominant nature of China's and India's Central Asian policy is security oriented. Their economic, defence and political ties are respectively driven by the security imperative. Third, Sino-Indian engagement in the Central Asian theatre would be competitive in the realm of economic relations, for they share similar appetite for energy resources. Nevertheless, since there is a convergence of security interest between India and China; they might cooperate with each other in areas of political and security engagement.

Chapter 6

Conclusion

The end of cold war spawned a new distribution of power among the units of the international system that affected the nature of and had implications for the new world order. The new world order which came into being was labelled as a multipolar one, owing to the rise of potentially powerful countries during that period. Analyses about the inherent nature and implications of the new multipolar world order thus hinged upon the policy choices of the newly emergent nations. Their trajectory in world politics during the post cold war period thus became an engaging research area. The present dissertation has attempted a similar exercise. It has tried to throw some light on the rise of China and India by studying their engagement policies in select theatres of world politics during the post cold war era. The fulcrum of the analysis lay on the relative power position of India and China thereby making it amply evident that the theoretical premise of this work is the structural variant of realism. In order to successfully study the trajectory of China's and India's rise in post cold war world affairs, the present work raises the following questions in the introductory chapter, namely:

1. In terms of dimensions, what is the scope of Sino Indian engagement in the select theaters? Is it uni-dimensional or multidimensional?
2. In terms of nature, is there a perceivable variation in each of the three theatres? If so, how does one explain it in each case?
3. What is the future of Sino-Indian engagement in these theaters? Will it be competitive or cooperative?

After having introduced the context and the resultant questions in the introductory chapter, this dissertation has moved on to establish the relative power position of China and India in the second chapter. The third, fourth and fifth chapters have separately dealt with the three theatres namely, Southeast Asia, Africa and Central Asia.

The first chapter began with introducing the overall context of this dissertation by underlining the structural change that occurred with the fall of the Soviet Union. The new world order which came into place began to be studied by scholars and policy makers to acquaint themselves with its nature and implications. Thereafter the chapter introduces the basic tenets of structural realism, also known as neo-realism by arguing that the task of mapping the rise of China and India during the post cold war era by studying their bilateral engagements in select theatres of world politics can only be carried out if we attempt to explain it from the Waltzian point of view. Having elaborated upon the central concept of 'relative power position', the chapter moves ahead to an exhaustive literature survey. Significant works on the rise of India have been categorised into two broad segments. The first segment comprising the works of Ashok Kapur, C. Raja Mohan, Stephen Cohen and a few other scholars account for India's emergence as a consequential player to momentous events like the 1998 nuclear tests, India's leap towards liberalising its economy and so and so forth. The second segment, on the other hand, which comprises of Baldev Raj Nayyar, T.V.Paul, Harsh Pant, Sandy Gordon, Sumit Ganguly take a critical position on India's rise by locating the obstacles which might obstruct India from realising its potential.

The literature on China's rise have been divided into two distinct categories, one attributing China's rise as a threat to the existing order of international politics and the

other taking a diametrically opposite position by regarding China's rise as a 'peaceful' one. The first includes works of Richard Bernstein, Ross H. Munro, David Shambaugh, Robyn Lin, Richard Parker while the second section comprises the works of Zheng Bijian, S.J.Noumoff, Samuel S. Kim etc. This section also takes into account the seminal works of Gerald Segal and Nicholas D. Kristoff who take completely opposite positions while explaining China's rise. Having presented a basic categorisation about the existing literature on the theme, this section provides an explanation behind the discourses of China's and India's rise. the discourse behind China's rise has been fuelled because the trajectory of her domestic politics, the policy options that were being chosen by the leadership had successfully grabbed worldwide attention. The inherent contradiction in the 1978 reform process leading to diametrically opposite economic and political ideals; growing military expenditure; anti-hegemonic posturing etc. led many to project China's rise as a threat. The discourse on India's rise was firmly stood upon the following: economic liberalisation policies which were adopted immediately after the end of cold war and India's decision to conduct nuclear tests in 1998. These developments implied that India was finally breaking away from her normative foreign policy considerations and moving towards pragmatic choices. This section is followed by establishing the research gap. While a considerable volume of work exists on the rise of these two states, there is a need to locate their rise in a comparative framework by studying the engagement policies of each. The research gap allows the posing of the research questions that have already been mentioned. The chapter ends by making an exposition about the research methodology.

The second chapter attempts to elaborate and ascertain the central concept of 'relative power position', which, according to this work, is the fundamental reason behind the dynamics of engagement between China and India in the select theatres. This chapter begins by characterising the post cold war era by devoting a substantial section about the dominant academic views on the period's polarity. The wide spectrum of ideas on polarity which had emerged during the first half of the 1990s has been discussed meticulously in this section, thus inferring that a general consensus about the multipolar nature of the post cold war era had been established. A detailed exposition of Kenneth Waltz's theory of structural realism is undertaken thereafter, focusing primarily on Waltz's concept of the anarchical world order which characterises the states with functional sameness and positional difference in terms of relative capabilities. It is further explained that states derive functional sameness from the very fact that they all are sovereign independent nation states, while positional difference can be attributed to their unequal power position. Thus, in order to locate and explain the contours of engagement policies of India and China during in the select theatres, it is essential to ascertain their relative power position. Following a short discussion on the various definitions of national power, this chapter refers to the power index used by Devin T. Hagerty in his volume on India's rise, where he uses hard and soft indicators of power to ascertain the relative power position of the countries in question. The same index has been used in this case too. India and China have been mapped against each other based on the following categories: hard indicators of power (territory, population, Gross Domestic Product, rate of annual growth, annual electricity consumption and defence expenditure); soft indicators of power (life expectancy at birth, infant mortality rate, political stability and

rule of law). On plotting China and India according to the indicators motioned above, it appears that although China outstrips India in terms of the hard indicators of power, it does not paint a similar picture in the area of soft indicators of power. This chapter arrives at the above inference by taking into account the lopsided economy centric reform process of China that was initiated in 1978. It was thus established in the second chapter that, in terms of relative power position China was better positioned in the international order compared to India.

The third chapter deals with the theatre of Southeast Asia. It begins by explaining the selection of Southeast Asia as one of the theatres for studying the engagement policies of China and India during the post cold war era. This explanation is given on the basis of the geopolitical, historical and political realities of India, China and Southeast Asian states. Before delving into the various aspects of engagement the chapter throws some light on China's and India's relations with Southeast Asia during the cold war era. India's relations with Southeast Asia during the cold war phase lacked content and direction since it was sucked into the vortex of cold war politics, while on the other hand China's relations with the region during that period earned China the tag of an expansionist power.

Sino-Indian engagement policies have been discussed by dividing them under three broad categories of political, economic and military. Detailed discussions about the political ties Southeast Asia with the two countries respectively show that their approach has overtly remained ASEAN centric. The regional organisation has been regarded by both the countries as the best and most effective gateway to the region in order to wield influence. In the economic realm, their relationship has adopted a multifaceted approach. Trade and

commercial relationship have been established by setting up institutional linkages with ASEAN, setting up bilateral ties with the extra regional bodies like BIMTEC and Mekong Ganga Cooperation Project and undertaking high level visits to the region. A number of joint working groups have been set up with the region to facilitate free trade areas and other preferential trade practices.

This section also includes a detailed account about the trade and investment data between the region and the two countries in question. Trade and investment data prove China's deeper economic engagement with the region in comparison to India. Although threat perception regarding China is still a reality in Southeast Asia, the region's engagement with China is primarily driven by the growth figures of China and her sheer economic prowess. India on the other hand has a relatively weaker engagement with Southeast Asia but it keeps the countries of the region interested because of the huge market it offers. The last section of the chapter dealt with defence ties. It is asserted that although China is a member of the ASEAN Regional Forum, happens to be one of the biggest suppliers of military equipment, and has the record of undertaking the maximum number of joint military operations, nonetheless, China's involvement in the Spratlys has kept China's threat perception alive in the region. In case of India, involvement in the area of defence cooperation with the region is limited to organising joint military exercises and trainings; yet, the region's perception about India is that of a reliable ally. The chapter finds that perception about external players like India and China play a decisive role in their engagement with the region. It further notes that both China and India regard Southeast Asia as their immediate sphere of influence, which is why both the countries relentlessly seek to integrate with the region through the principal regional body, ASEAN. It is

evident that China's level and scale of political, economic and military engagement with Southeast Asia is greater than that of India because of their relative power position and India's early reticence to integrate with the ASEAN states due to cold war complications and the imperatives of non-alignment. The degree of difference in their influence has declined perceptibly because Southeast Asia as a region wants to engage China for economic benefits and also wants to engage India in order to balance China. Although both China and India have developed a multifaceted engagement policy vis-à-vis Southeast Asia, it remains as an area of competition between China and India.

The fourth chapter of this dissertation discussed the pattern of Sino-Indian engagement in the African theatre. The chapter begins by establishing the rationale behind choosing the African theatre. Historically, both India and China had cordial ties with the African continent since the days of Afro-Asian resurgence which had played a significant role in the development of a sense of identity among the three players. Further, with the end of cold war, Africa began viewing both India and China as reliable partners of development quickly replacing them for the western countries. On the other hand, Africa was identified as a very important resource hub, making it an important destination for the growing Chinese and Indian economies. The wave of democratisation that swept African countries during the 1990s and the positive growth figures which were recorded by these countries during that time instilled the Indian and Chinese foreign policy makers with a sense of optimism.

The next section of the chapter discussed the political ties between Africa and the two countries respectively. Political ties between India and Africa have been discussed under the broad categories of bilateral high level visits by heads of states and ministers,

promotion of cultural exchanges between the countries, conferring awards to African heads of states, development cooperation, involvement in the regional organizations like the African Union (AU), and adoption of identical positions on specific issues at global platforms. These together have created an environment of mutual trust and benefit between India and the African countries which has helped their economic relations to flourish. Political relations between China and Africa have also been discussed under the categories of bilateral high level visits resulting into political and cultural exchanges, development cooperation leading to collaborative projects in the infrastructure sector, involvement in the regional bodies and establishment of the Forum for China and Africa (FOCAC). These measures together have also helped the economic relations between China and Africa to mature during the post-cold war period.

The chapter has subsequently taken to the economics of this engagement. The broader aim of their economic engagement has been gaining access to the vast resource pool of Africa and also gaining access to the vast African markets for the manufactured Indian and Chinese goods. Their energy procurement policy also forms an important segment of their overall engagement strategy. In terms of trade and investment data since the 1990s, China outstrips India as net exporter and importer. Chinese investments figures also narrate a similar story.

Coming to the defence ties, China is better engaged with the African countries than India. China happens to be one of the biggest arms suppliers of the African countries. The chapter concluded with the following observations on Sino-Indian engagement in Africa. First, Chinese and Indian policies vis-à-vis the African countries are multifaceted, showcasing an all-rounded approach based on the principles of mutual benefit and

cooperation. Second, the African theatre presents itself before China and India as an economic opportunity (vast market for manufactured goods, storehouse of energy resources and other natural resources) which is why the primary thrust of their policies remains economic in nature. Lastly, since Chinese and Indian interests in this area are identical in nature, they are bound to compete in the near future over the resources of Africa. So far as comparison between China and India are concerned, this study finds that China's engagement with Africa is much stronger owing to the governmental support that Chinese ventures receive.

The final chapter deals with the Central Asian theatre. The Central Asian theatre has been understood in the conventional usage of the term, implying that Afghanistan has not been included as a constituting country. Selection of this area as a theatre has been explained by pointing out the historical connection between the region with India and China through the fabled silk route. It implies that not only were India and China connected to the present day Central Asian countries by way of trade; they also shared a close civilisational bonding. Along with continuous movement of traders and their commodities, this region also witnessed movement of ideas from one place to the other. This region also gains pertinence from the fact that, the Central Asian countries which were economically and politically isolated during the days of cold war unshackled themselves with the demise of Soviet Union. A power vacuum developed immediately. With the discovery of energy resources in this region, most of the major players of international politics began taking an active interest since the mid 1990s. Discussion about the political relations between India and the Central Asian states begins with usual high level state visits underlining the historicity of their relations. India has been a late

starter in its efforts to engage with the countries of Central Asia. India started taking an active interest in the region when Afghanistan came under the hold of the sinister Taliban regime making New Delhi wary about her own security vis-à-vis Pakistan, which shares land borders with the Central Asian states. This compelled India to show a sustained interest to gain entry in the region through the Shanghai Cooperation Organisation. Political relations between China and Central Asia also revolve around the fulcrum of territorial security. China shares her south western borders with the Central Asian states of Kazakhstan, Kyrgyzstan and Tajikistan and the people living across the borders share ethnic and religious identity. This issue got compounded by the outbreak of Islamic separatist movement in Xinjiang (south western province of China) and Talibanisation of Afghanistan. Thus it became an imperative for China to maintain peace and stability in the region by actively engaging with these countries, both economically and politically. One of the most significant aspects of China's political ties with Central Asia happens to be the establishment of the Shanghai Cooperation Organisation (SCO). The creation of this regional grouping was a clear admission that China was desperate to address the problem of separatist movements in the region in a collaborative manner in order to secure her own strategic interests.

This study has also analysed the nature of economic partnership that the two countries have established in Central Asia. Economic relations between India and Central Asia follow the conventional avenues of bilateral trade, investment, infrastructural aid and similar cooperative ventures. Procuring energy resources from the resource rich Central Asian countries form an extremely component of India's economic relations. India's commercial ties with Central Asia do not narrate an optimistic story as full spectrum

economic relations have not flourished. China's economic engagement however is much more robust. Chinese manufactured goods have captured the Central Asian markets without a shred of doubt. China's economic policy with these countries also revolves around energy resource requirement. So far as defence ties are concerned, China has a better presence compared to India among the Central Asian countries. Taking the above into consideration the chapter derives the following conclusions: first, so far as the various facets of the relationship are concerned, India does not have an all-rounded engagement policy with the Central Asian countries unlike China. In case of India, the absence of sufficient cultural exchanges between the two is a major drawback. Second, the predominant nature of China's and India's Central Asian policy is security oriented. Their economic, defence and political ties are respectively driven by the security imperative. Third, Sino-Indian engagement in the Central Asian theatre would be competitive in the realm of economic relations, for they share similar appetite for energy resources. Nevertheless, since there is a convergence of security interest between India and China; they might cooperate with each other in areas of political and security engagement.

The dissertation has carried out the comparative analysis at two levels: first, it compared India and China in order to arrive at the relative power position. Second, it attempted to compare their rise during the post cold war era by studying their engagement in three different theatres of world politics. The first has been dealt in details in the second chapter by comparing the power position of India and China. The exercise has been carried out by plotting both the countries on the basis of certain hard and soft indicators of power. The figures indicate that China's relative power position is stronger than that of

India, with certain minor variations in the realm of the soft indicators. China's membership in the exclusive club of United Nations Security Council is also indicative of her relative power position against India.

Thus, having mapped the relative power positions of China and India, the study compared their modes of engagement in three different theatres of world politics, namely: Southeast Asia, Africa and Central Asia. The objective of this study has been to uncover the fundamental contours of their engagement in these three areas thereby trying to map their rise. Three research questions were set at the outset to facilitate a better understanding. Before delving into the three questions separately, we ought to take cognizance of the fact that the larger objective of both India and China in these three theatres have been to expand their respective ambits of influence. They have tried to do so by charting an overall policy of engagement, the nuances of which have been studied in this work.

The first question is about the dimensions of their engagement policies in each of the areas. India's engagement policy in Southeast Asia and Africa are multidimensional, it is a combination of political and economic initiatives. India's Look East Policy was designed to bring about an effective integration with the region so that the economies could grow together. In order to facilitate economic integration with the region, India courted the Southeast Asian countries actively for an extra regional seat at the ASEAN. It is her inclusion in the ASEAN that added a number of other dimensions to her relationship with the region. India's Africa policy too is a multidimensional policy which rests on political, economic, cultural and military components. Africa presents itself not only as a hotspot of energy resources but also as a vast untapped market for manufactured

goods and knowledge related services. In order to tap these sectors, India has formulated a well balanced engagement policy with the African countries. Support of the African countries at various global forums also happens to be another incentive for emerging countries like India. India's Central Asia policy is not as coherent like that of Southeast Asia or Africa. It is more of an attempt to keep an Indian presence amid several other external players in the region. It's political, economic and defence components are not yet fully developed to impart it the features of a comprehensive policy. China like India has put forward a multidimensional policy in Southeast Asia and Africa. Southeast Asia being China's extended neighbourhood in the south has always played a crucial part in her foreign policy designs, both during and after the cold war. One of the biggest issues that China faces in this particular region is the threat perception. In order to address this perception and engage with the region economically, China has crafted a well balanced policy which ably stands on its political, cultural, military and economic components. The Central Asian theatre also experiences a well balanced Chinese policy of engagement through the Shanghai Cooperation Organization (SCO). In terms of level or extent of China's and India's engagement with the regions, it can be inferred safely that China's extent of engagement with all the three regions possesses better depth than that of India. The primary reason which explains the above assertion is that, China's position in the international order is much better compared to that of India. China's economic and political presence in any theatre therefore is much stronger than India's.

Explaining variations between the natures of engagement policies of these two states across the region remains the second objective of this study. India's Southeast Asia policy showcases the traits of a classical economic policy where integration with the

region by developing institution linkages are regarded primary. So far as Africa is concerned, India's policy once again portrays an economic leaning. In both the cases the nature of the policies can be explained by taking into account the following: vast markets that these areas present; their natural and energy resource reserves (proven and speculated); and the compulsions of India's newly liberalised economy. China's Central Asia policy on the other hand conveys a mix of political and economic interest owing to the simple fact that India has been a late starter in the region and is still to carve out a well thought out policy for engagement. China's Southeast policy and Africa policy also represent an economic leaning. Once again, it can be explained by the factors of vast market and resource base that these areas are. The demands of the growing Chinese economy also form a crucial factor in its engagement policy in these areas. China's engagement in these theatres also comprise of security measures adopted to guard her strategic interests. In case of Southeast Asia China's policy regarding the Spratleys indicate her concern not only about the resourceful islands but also about the marine routes that crisscross the region. In case of Africa, in order to consolidate her economic security China has pursued a robust resource procurement policy by offering aid, waiving loans and by extending unqualified support to the undemocratic regimes of the resource rich regions. China's Central Asia policy presents itself more as a security policy. The crux of China's Central Asia policy has already been explained. In order to insulate the south western province of Xinjiang from the influences of the pan Islamic, pan Turkic elements China has formulated a strong economic engagement policy which it runs, both bilaterally and multilaterally through the SCO. The regional platform of SCO has also

been used by China to unanimously produce a comprehensive policy to address the security threats that plague the region.

The third and final question revolves around the possibility of cooperation or competition in the near future in each of these areas. In all the three areas China and India are predominantly poised to be competitors. As is already evident from this study, India and China exhibit rather similar engagement policies, which is why it is natural that clash of interest would be inevitable. Hence, a competitive streak between China and India in these theatres can be regarded as a natural outcome. The other reason behind this assertion is that all these regions would try to balance one external player with other so that no one becomes dominant enough to wield absolute control. Southeast Asia is wary of China's territorial claims and Beijing's attempts of replacing indigenously produced goods with Chinese manufactured goods. Such a perception is always reiterated in the Southeast Asian minds by the history of Chinese expansionism. Africa, on the other hand, is wary of the same economic difficulties that might be brought about by overt Chinese engagement. Central Asia's anxiety regarding China stems from her cold war memories of the Sino-Soviet conflict days. No matter how proactive China has been in this theatre, its ascension will encourage balancing behaviour from the Central Asian republics and this would open possibilities of a greater strategic role for India in this region. In each of these theatres China has played a proactive role while India's role has been reactive. Thus, this study asserts that in all these three areas India would be made to play against China, making competition an inevitable outcome between the two.

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