



Pieces of the Asian Dream

The article appears in The Hindu, of 29th August 2018. It engages with India's relation with the South-East Asian countries and analyses its implications on the geopolitics of the region. It gives a perspective on how Indian ambitions are being tested against Chinese assertiveness and resourcefulness.

The ongoing geopolitical rivalry of U.S and China has changed the relationship between the countries of South-East Asia. India is slowly emerging as a significant strategic space in the new power struggle being witnessed in the Indo-Pacific region.

Influence of Indo-China relations on the South-East Asian region

Both India and China have been seen struggling for the center-stage in the Indo-Pacific region and the relation between the two countries with each other influences sea lanes and chokepoints.

India maintains its relations with the Association of Southeast Asian Nations (ASEAN) countries through comprehensive diplomatic, bilateral and military dialogues. China, on the other hand, provides these countries with much-needed investment support for the infrastructure development. The immense influence of China's investment policy is reflected in ASEAN's decision as a regional block to dismiss the international ruling against the South China Sea activities of China and instead agreed to cooperate with it on a 'Code of Conduct'.

China's investment in the region

China is one of the largest providers of foreign aid in the region and contributes to the investment in dams, oilfields, highways, textile operation and mines. It provided rifles and guns to the Philippines police after the same demand was struck down by the U.S.

ASEAN's trade with China surpasses that with India and Chinese Foreign Direct Investment (FDI) is nine times higher in these countries than India's. China's growing military presence also gives it an upper hand as a decision maker in the region and offers a threat to India's diplomatic hobnobbing in the region. Apart from this, declining relations with Nepal over the 2015 fuel blockade and failed strategic interventions in Sri Lanka add to the woes of the country. Both the countries have been observed to shift towards China over the significant infrastructural investment flows.

However, the assertiveness and intervention in the internal matters of the countries that come with the Chinese investment have driven few countries like Indonesia and Singapore to find refuge in their relationship with India.

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India's strategic bargain for China

India and ASEAN share a unique cultural history and a sizeable Indian diaspora resides and contributes to the economies of countries like Singapore and Malaysia. The global soft power that India enjoys through its art, literature, music, dance, and cinema contributes to its image as a friendly nation which furthers its long-term engagement with the countries in the East Asian region.

Increased engagement with Japan, '2+2' dialogue for better maritime partnership with Australia (India is

going to have a separate 2+2 dialogue with the US), along with its dominant soft power can be utilized by India to counter China's influence in the region. However, striking a balanced strategic relation with China can open up new possibilities for India to gain influence in the Indo-Pacific region especially among groupings like Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and Bangladesh, Bhutan, India, and Nepal (BBIN).

Way Forward

- China's agreement with India on data sharing over **cross-border flow of waters from the Brahmaputra during a flood season** was renewed at the SCO summit. This can be an opening to a more meaningful engagement between the two Asian giants.
- Also, a protocol has been signed by the two countries for the **exports of all varieties of rice from India to China** which can partly resolve India's adverse balance of payments against China.
- A **potential trade target of \$100 billion by 2020** has been suggested by China. This can provide a positive direction to the relationship between the two countries.
- Following the above-mentioned steps, an improved Indo-China relation can give way to a **more defined geopolitical role for India** in the Indo-Pacific region.

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