

## **Envisioning Indo-China Future Prospect Through New Silk Road**

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### **Abstract**

*China's vision on the New Silk Road is to provide a platform for the development and growth of India as well as China. The revival of the ancient Silk Road in 21<sup>st</sup> century has the potential to change the global politics and economy of the international community. The new Silk Road comprises of two components such as Silk Road Economic Belt (SREB) and Maritime Silk Road (MSR), also known as Belt and Road Initiative (BRI). India's reservation behind opposition to the project is major concern for China. The current government showed his concerns of joining the new Silk Road as China Pakistan Economic Corridor (CPEC) passes through Kashmir region of India. It also envisions that despite many reservations among Indian diplomats, it can turn out to be a game changer in many respects - Economic development, exchange of science & technology, tourism, cultural exchange, a climate of peace and stability, and can also bring a paradigm shift which would help building trust between both the nations. The current paper attempts to envision Indo-China future prospect through the lens of the new silk road initiative proposed by Xi Jinping in 2013.*

**Keywords:** Silk Road, BRI, SREB, MSR, CPEC, India, China.

**Introduction**

India and China are the two emerging power in the Asian region. Since the ancient time India and China have many linkages in terms of culture, tradition, trade and religion. The ancient Silk Road, during the Han dynasty evidences the bilateral trade and commerce during 200 B.C. between India and other neighbouring countries. These encounters and linkages facilitated mutual enrichment and growth of both countries at that time. The term Silk Road was coined by the German geographer Ferdinand Von Richthofen in the year 1877 because of only one of many valuable items and that was Silk (H. Ray 2010, p.11-15).

The New Silk Road in the 21<sup>st</sup> century known as Belt and Road Initiative (BRI). The BRI is China's ambitious project proposed by Chinese President Xi Jinping in September 2013 (Devitt 2016, p.1-16). It comprises of two components Silk Road Economic Belt (SREB) and Maritime Silk Road (MSR). SREB is overland route starts from Eastern part of China crosses Central Asia, Russia to Europe. MSR is sea route starts from coastal port of China, crosses the South China Sea (SCS), passes through the Malacca Strait and reaches the Indian Ocean, extends to Europe (Chaturvedy 2017, p.6-15). Like the ancient Silk Road, the new Silk Road is also a trade route which comprises of six means of communication such as rail, highway, seagoing transport, aviation, pipelines and aerospace and integrated information network with the main objective of infrastructure connectivity (Office of the Leading Group for the Belt and Road Initiative 2017, p.5-10).

The BRI project includes six corridors such as: New Eurasian Land and Bridge Corridor (NELBC), China Mongolia Russian Economic Corridor (CMREC); China Central and Western Asia Economic Corridor (CCWAEC), China Indo-China Peninsula Economic Corridor (CINPEC), Bangladesh China India Myanmar Economic Corridor (BCIMEC), China Pakistan Economic Corridor (CPEC). China envisioned the aim of improving regional integration, increasing trade and stimulating economic growth (Sharma and Kundu 2016, p.1-15). Moreover, the new Silk Road program outlines five major priorities such as: policy coordination, infrastructure connectivity, unimpeded trade, financial integration and connecting people.

New regional institutions had been assigned for the financial aid for the project. Asian Infrastructure Investment Bank (AIIB) and New Silk Road Fund (NSRF) are designed to complete and support the China's ambitious project. The BRI project has been supported by 100 countries in which 46 co-operation agreement has been signed between 39 international organisations. China is spending nearly \$1 trillion to revive and renew the overland and maritime trade linkages between its partner's countries in Europe, West Asia, and East Africa through construction of several ports linked to high-speed road and rail corridors. The current trade volume between China and its Belt and Road partners is hitting \$6 trillion in the past five years.

### **Contextualizing the Importance of BRI**

Through BRI China will be benefiting many several terms. China is in search of new markets for its excess capacity in the manufacturing and construction, BRI provide China to access new markets around the globe. It will boost trade between China and other partner's country especially in the new European markets for China. China also seeking to develop its underdeveloped area in the western part of China particularly Xinjiang, and will increase economic activities and fulfil the Chinese appetite of gas and resources. Through several corridors especially China Pakistan Economic Corridor (CPEC) China is trying to ease tension in future for the energy supply and creating alternative energy supply routes to fulfil its energy demand. Currently China's oil imports passes almost through the choke points of straits of Hormuz and Malacca. BRI also benefits China in increasing influence across the region. Chinese ambition is to become a maritime power and to develop financial institutions competing with the World Bank (WB) and International Monetary Fund (IMF). To compete the financial institutions China led financial institutions such as Asian Infrastructure Investment Bank (AIIB) and New Development Bank (NDB) have been received by the countries across the world (The World Bank 2018). The BRI will provide new investment options for China and massive overseas investment in the project will speed-up the internationalization of the Chinese currency.

India is sixth largest and one of the fastest-growing economy in the world. BRI could provide several economic benefits that will boost its trade, investment and business engagement. It will also ease the tension between both countries and improve Indo-China ties through

cooperation at several global fronts. Several geo-political issues could be addressed and resolve through economic integration between both the countries.

## **Envisioning Indo-China Future through Silk Road**

India and China are the largest developing economy countries in the world. Inception of the political relation between both countries can be traced in the 1950. Both countries considered each other as brothers. A living proof of this brotherhood is the slogan "*Hindi - Chini, bhai - bhai*" raised during the Panchsheel Agreement in 1954 under the leadership of Jawahar Lal Nehru after his visit to China (External Publicity Division Ministry of External Affairs Government of India 2004, p.2-13). The relations between China and India got bitter when Chinese officials released a map in 1957 claiming some parts India to their territory. Subsequently in the year 1959 China captured Tibet. The Buddhist monk Dalai Lama with many Tibetans taken shelter in India. Nonetheless, China has also started to building roads in Aksai-Chin region and denied the McMahon line. Such things led confrontation between India and China in the year 1962. China breach the treaty and violated the Panchsheel agreement. These are the reasons that deteriorate the relation of both countries for the next twenty years. India again showed her intention of neighbourhood when Rajiv Gandhi visited to China in the year 1988 to improve its relation. Subsequently, in 1993 Agreement of Peace and Tranquillity (APT) has been signed to ease the tension between both country during prime minister P.V. Narshimha Rao.

India and China are the largest economy of the world and their interdependency can't be ignored as the global economies growing. For India, China is the major exporter country in the world and for China India is the seventh importer countries in the world that shows how significant both countries are for each other. In 1984 China has been recognised as most favourable country by India. Since, 1988 Joint Economic Group meeting has been organised between both countries and in 2018, it was the 11<sup>th</sup> meeting organised in New Delhi between India and China. Nonetheless, there is one another meeting called strategic economic dialogue has been organised between both the countries in Beijing. Apart from it there is another agreement between India and China that is Education Exchange Program (EEP) to enhance the cultural ties between both countries. More than 25% of the total world population shared by both countries. Having the massive potential of human resources, both

the countries are facing problem related to their domestic affairs and the fast depleting natural resources (Fensom 2016, p.4-5). In this context, how far this developmental cry succeeds in bringing a holistic development is both countries are a million-dollar question. China is looking for sustainable development and rapid economic development to build China into a moderately developed country. A large area of China is under developed. China seeks to solve the poverty alleviation issues of 100 million people in central and western China to enable them to live good live. For India, a neighbour, a developing country and an emerging economy, so it is an important aspect in China's diplomacy and Asian policies. India also get advantages and its market will exuberantly prosper in Central Asia, Middle East, China and other region. The project will be exposure and assist export with good connectivity transportation to the land locked region of India. Infrastructure development project will benefit the under developed region of India especially North-East Region from where BCIM corridor has been proposed under BRI project.

Currently India has been opposing the BRI project to protect her national interest i.e. strategic, sovereignty and territorial integrity as Pakistan Economic Corridor (CPEC) connects Gwadar port in Pakistan's Baluchistan with China's Xinjiang province passing through Pakistan Occupied Corridor (POK). India asserts that it is threat to its sovereignty and national security. Since, Pakistan Occupied Kashmir (POK) is dispute area between India and Pakistan, China should have asked to India for initiating such project in the region. The Chinese Defence White Paper (DWP) demonstrates about the China national defence that China will never seek for hegemony, expansion or sphere of influence (Government of China 2019, p.11). But Chinese infrastructure development in the disputed area POK shows the dual character of China. Although, China asserts that they will never interfere in the other countries politics but CPEC initiative shows that China is self-centric country. India is on apprehension that in case of external aggression China will get access easily that could affect the regional stability and peace for both countries. Learning from the past experiences, how India will rely upon China. No any country can compromise their sovereignty on the basis of economic development. Another concern for India is the BCIM corridor passes through the North-East region which is marginalized part since long back. India think if Chinese influence will increase in the North-East region there will be a chance that India could lose

her grip in this region. China will not only exploit the resources but also politics of the region.

### **Conclusion**

Relationship between India and China is governed by politics and national interest of both the nation. These are two giant nations are most often at logger heads due to inherent internal issues. Of late India is stupendously enraged by the relationship that has developed between China and Pakistan. Through the initiation of CPEC India is concern about China's plan for a strategic advantage and location. Some recent development in this context is the increasing diplomatic and military advances via CPEC in to the Indian Ocean. Such advances of China pose threat to India's Internal security and its lordship over the Indian Ocean. As far as the Indo-China relationship is concerned, India has already received fatal blows in the form of 1962 Chinese aggression that happened immediately after the return of the then Indian Premiere Jawaharlal Nehru from China. China's desperate attempts to encroach upon India's North-East region particularly Arunachal Pradesh is again a vexing issue for India.

Maritime supremacy of China and its military strength has always remained a disturbing issue which India fears for many reasons. The robust economy of China is away ahead of India which is yet another reason for India's worry. Silk Road could certainly open the venues for both the nations in respect of trade and business. But it is China which is likely to have a full scale of advantage of and control over the Silk Road.

However, the strategies espoused by China concerning the Silk Road are pro-China and the benefits the road is likely to bring are to be harvested primarily by the Chinese nation. The military operations and presence that China shows time to time on the borders of India speaks volumes about China's intentions and India's Luke-warm response.

At present time relation between India and China is going through several ups and down. The new Silk Road Project or so called Chinese ambitious BRI project will be a better opportunity to make relation hard between both countries. In the present time the economy of India seems to be losing its momentum, India should think in economic terms rather than political and social issues. BRI project will not only provide rapid economic growth but it is conducive for its economy also. Several countries have joined the Chinese ambitious project across the

region except Bhutan (due to not any diplomatic relations with China). India should not miss the opportunity otherwise India can feel the isolation in the region.

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