

# Rising China: Implications for India

**Major General Dhruv Katoch, SM, VSM (Retd)\***

## Introduction

Delhi is Beijing's only economic and geostrategic rival in Asia and regardless of any churning which may take place in the internal power dynamics in China's ruling communist party, Beijing's policy towards Delhi will continue to be shaped by its desire to achieve pre-eminence in the region. China is, today, a major power to reckon with. Under the banner of 'the peaceful rise of China', the Fourth Generation's leadership has transformed the Middle Kingdom into an 'Eden of wild capitalism'.<sup>1</sup> China sees itself as taking the lead in world affairs within the next three to four decades and to that extent would remain assertive with respect to her foreign policy, especially with respect to India. As over 70 per cent of China's oil imports come from the Middle East and Africa, securing of her sea lanes of communication (SLOC) assumes criticality and would shape Chinese policy in the region.

## The Indian Ocean Littoral

An ever-increasing demand for energy fuels China's growth. Its geopolitical strategy dubbed as the "String of Pearls" by American analysts<sup>2</sup> is arising as foreign oil becomes a centre of gravity critical to China's energy needs. Each "pearl" in this string is a nexus of Chinese geopolitical influence or military presence, which stretches from the Hainan Island to Gwadar. China is building strategic relationships and developing a capability to establish a forward presence along the SLOC that connect China to the Middle East. China's development of these strategic geopolitical "pearls" as of now has been non-confrontational. Beyond Taiwan, China's evolving maritime power suggests that the People's Liberation Army Navy (PLAN) is concerned with protecting her SLOC to keep open the "choke points" relevant to safeguarding trade and ensuring uninterrupted supply of energy resources. With the exception of "fishing trawlers" occasionally found mapping the ocean floor to facilitate submarine operations, the PLAN has yet to flex any "blue water" muscle. Lack of an aircraft carrier with PLAN is a serious limitation to China's 'Blue Water' ambitions and as of now, the PLAN is many years away from actually launching one.

While Chinese strategy in the Indian Ocean littoral appears non confrontational, India would need to keep a close watch on Chinese capability in the region. Chinese construction of the first phase of the Gwadar Port on the Arabian Sea at a cost of US\$ 250 million is significant as the port would allow China to secure oil and gas supplies from the Persian Gulf and project power in the Indian Ocean.<sup>3</sup> It will also be accessible for Chinese imports and exports through overland links that will stretch to and from Karakoram Highway in Pakistan occupied Kashmir's (POK) Gilgit-Baltistan that borders China's Muslim majority Autonomous Region of Xinjiang. China is reportedly funding most of the second phase as well. On the southern coast of Sri Lanka, China is constructing a port at Hambantota, ten miles from one of the world's busiest shipping routes at a cost of US \$ 1 billion. China plans to use the port as a refuelling and docking station for its navy, as it patrols the Indian Ocean and protects China's supplies of Saudi oil. As of now, China has no plans for a fully fledged naval base at Hambantota.<sup>4</sup> However, its strategic location makes it a very valuable asset for future use. Bangladesh too has offered China naval access to its prized Chittagong port, which India has long but unsuccessfully sought. China is also in the process of upgrading its surveillance capabilities at the Great Coco Islands in Myanmar besides constructing two helipads and storage space for weapons.<sup>5</sup> A Chinese electronic intelligence unit at the Coco Islands tracks India's missile launch facilities on the eastern sea coast at Chandipur in Orissa besides intercepting classified communications emerging from India's first Tri-Services Command at the Andaman and Nicobar. China has also vastly improved and militarised port facilities at Akyab (Sittwe), Mergui and Kyaukpyu where she is also building a deep-sea port. A major naval base on Hainggyi Island near the Irrawaddy river delta has also been constructed.

Chinese geopolitical influence or military presence stretching from Gwadar in Baluchistan Province of Pakistan to the Coco Islands in Myanmar is especially worrisome from the Indian perspective as it gives rise to the possibility of a 'maritime encirclement of India'. This is a futuristic assessment as at this stage in its development Chinese presence in the Indian Ocean littoral is merely aimed at seeking to protect its SLOC and it would take a decade if not more to develop the kind of military force that would be required to give China greater clout in the Indian Ocean. China also must consider the risks and costs of the military dimension of its "String of Pearls" strategy. The perception of an aggressive military build up could create a counterbalancing effect detrimental to Chinese interests. Even a limited forward military presence, to "show the flag," or as a hedge in case the US security guarantees fall short, could conflict with China's path to "peaceful development" and be counterproductive towards China achieving its larger national objectives.

As a counterpoise to growing Chinese military ambitions and maritime power building-up in seeking the control of the Indian Ocean, India needs to act now to preserve its areas of interest. Naval capability is built up over decades and is very cost intensive. Besides blue water capability, it must encompass a robust ship building and repair industry, coastal defence and defence of offshore installations. The coming decades are likely to see greater confrontation on the high seas and we must be prepared to face those challenges. For in the words of Alfred T Mahan, "Whoever controls the Indian Ocean dominates Asia.... in the 21st century the destiny of the world will be decided on its waves."

## The McMahon Line

India's border with Tibet remains unsettled. While the McMahon Line is the effective boundary between India and

China, its legal status is disputed as China does not accept the validity of the 1914 Simla Accord. Till such time as the border is demarcated, there will always be cause for dispute as China is in illegal occupation of large parts of Indian territory South of the McMahon Line and also lays claim to the whole of Arunachal Pradesh. Post 1962, the India-China border has remained largely peaceful barring a few incidents. A major military offensive by China to enforce its claim lines appears unlikely in the present geopolitical environment. Even so, a major offensive would be very expensive to China both in material and human costs and in all likelihood would also not give them the desired payoff, especially if India uses its Air Force to intercept and interdict Chinese targets on either side of the Tsang Po River. The greater danger would lie in a limited incursion by the Chinese to partially alter the Line of Actual Control (LAC). Such a scenario could arise if China faces an economic downswing leading to severe dissidence at home in its coastal regions or if insurgency flares up in Tibet Autonomous Region (TAR) or Xinjiang Province. China could then ratchet up war hysteria against India to divert attention from its domestic problems. A suitable and apt response to a limited military action by China would require to be well thought out.

## **Neighbouring Countries**

China's growing influence in Bangladesh, Myanmar and Nepal would need to be watched and countered both diplomatically and economically. Closer ties with China provide Bangladesh with a sense of security against India. China values Bangladesh for its immense natural gas reserves whereas Bangladesh's geographical proximity to Myanmar makes these reserves accessible to China through pipelines as also providing a strategic foothold to China in South Asia.<sup>6</sup> The Bangladesh Armed Forces are largely equipped with Chinese armaments and while the military is not too happy with the quality of Chinese arms, they are unable to find other goods as cheap. In terms of economic cooperation, there is greater scope for trade with India. Relevant in this regard is a statement by the Bangladesh Additional Foreign Secretary, "We have nothing to sell to the Chinese. We could sell a great deal more to the Indians, if they allowed us." Bangladesh also shares three of its borders with India and none with China, thereby limiting Bangladesh's ability to distance itself from India.

While India considers Nepal a part of its sphere of influence, it is increasingly being challenged by China's inroads into Nepal with China providing assistance in exploiting Nepal's hydro electric potential and in construction of road and rail linkages. Military assistance to the tune of US \$ 2.6 million has been pledged for Nepal's security sector. There has thus evolved a multi-layered engagement between China and Nepal which supports its wider South Asia policy. In Myanmar, China's strategic objective appears to be to gain direct access to the Bay of Bengal and Andaman Sea through Myanmar, bypassing the narrow Straits of Malacca.<sup>7</sup> China has greater economic, political, and military clout than India in helping out the military regime and given this advantage, India is unlikely to replace China's position as the most influential country in Myanmar. However, both Chinese and Indian interests converge in Myanmar towards economic development and maintenance of peace. While there would be competition, there would also be cooperation.

Chinese policy toward Pakistan is driven primarily by its interest in countering Indian power in the region and diverting Indian military force and strategic attention away from China. It also provides a bridge between Beijing and the Muslim world, a geographically convenient trading partner, and a channel into security and political relations in South Asia. For Pakistan, China is a high-value guarantor of security against India. The China-Pakistan partnership serves both Chinese and Pakistani interests by presenting India with a potential two-front threat in the event of war with either country. Chinese officials also view a certain degree of India-Pakistan tension as advancing their own strategic interests as such friction bogs India down in South Asia and interferes with New Delhi's ability to assert its global ambitions and compete with China at the international level. However, rising instability in Pakistan due to internal threats from fundamentalist forces is a cause of concern for China which is dealing with Uyghur separatists in its Muslim majority Xinjiang province. There is also concern of the utility of the Gwadar Port, given the state of unrest in Baluchistan. While Chinese support to Pakistan is likely to be more nuanced in future, she will continue to maintain a robust defence relationship with Pakistan as a useful way to contain Indian power.

## **Water Wars**

Perhaps the greatest threat to India are the Chinese plans to divert the waters of the Himalayan rivers to North China. The plan, dubbed the Western Route Scheme calls for building a massive hydroelectric dam and water-diversion scheme on the great bend of the Tsang Po River.<sup>8</sup> Of concern to India is the plan that calls for changing the direction in which the Tsang Po flows, to make it feed into the South-to-North Transfer project. By the time the river enters India as the Brahmaputra River, most of its water would have been diverted to China with disastrous consequences for the State of Assam and Bangladesh. Beijing has repeatedly denied any such intentions but rumours persist that a diversion project is in fact underway. Work is currently scheduled to begin in 2010, but it would not be completed until 2050. India needs to be alert to developments in this field, lest it be presented with a fait accompli in the years to come. She would also need to plan for a suitable response to prevent such an occurrence.

## **Assessment**

As China and India rise politically and economically on the world stage, it is natural that they compete with one another for influence. Rivalry between the two nations will be fuelled especially by each country's efforts to reach into the other's traditional spheres of influence, for example, China in South Asia and India in Southeast Asia. China's willingness to overlook human rights and democracy concerns in its relations with the smaller South Asian states will at times leave India at a disadvantage in asserting its power in the region, as was seen recently in Nepal and Sri Lanka. India will need to significantly enlarge its economic footprint in the South Asian region to ensure it maintains an edge in its traditional spheres of influence.

Energy competition between India and China is also reflected in the two countries’ assertions of naval power. As India reaches into the Malacca Strait, Beijing is developing facilities along the Indian Ocean littoral to protect SLOC and ensure uninterrupted energy supplies. Militarily, there can be no let up in India’s preparation to counter any Chinese misadventure. In the Himalayas, India will have to ensure air superiority at least in the areas South of the Tsang Po River. It will also have to upgrade its artillery capability in the mountains as well as develop infrastructure compatible to that which China has built up in Tibet. India will also have to ensure that its Navy maintains an edge in the Indian Ocean region to protect its national interests. To that extent, it is time that the Country takes a de novo look on prioritising its defence expenditure to meet the challenges of the future. India also needs to change the way in which advice is tendered to the Government so that the Services’ concerns are adequately represented to ensure that the Nation’s defence is not compromised.

-----

**\*Major General Dhruv Katoch, SM, VSM (Retd)** was commissioned into 15 Dogra on 31 Mar 1972. He was Chief of Staff 10 Corps before retirement on 31 Jan 2009. he writes on defence and security related issues.

Journal of the United Service Institution of India, Vol. CXXXIX, No. 577, July-September 2009.