

Research on Cross-border Infrastructure Initiatives Between China and India in Neighborhood: Progress, Results and Implications

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Abstract: As two regional powers at present, China and India are bound to participate in regional competition and expand their spheres of influence in their respective development process. Infrastructure initiative in neighboring countries is one of the means and also one of the ways to display their soft power. From China and India in Asia, mainly for South Asia, Southeast Asia cross-border infrastructure initiative, that is, the start of the two countries to expand trade ties and political influence cross-border specific communication policy and progress of the construction of infrastructure, the policy of interaction between the two countries and results, and finally it is concluded that the two countries cross-border infrastructure initiatives.

1. Introduction

The cross-border infrastructure initiative between China and India in their close neighbors should first and foremost enhance the autonomy of their strategic development. Broadening the scope of foreign policy to gain strategic autonomy and operational space for sustained development is the main driver of the cross-border infrastructure initiative[1]. China needs to keep its huge economy growing and to become more involved in the region. Indian strategists have long argued that strategic autonomy is a necessary condition for great-power status, and that its sheer size and special location, as well as its growing economic and military might, make it a key player in South Asia, capable of providing or denying regional strategic stability. Its strategic choice will affect neighboring countries, and it also needs to enhance its strategic development autonomy to meet its goal of becoming a stable global power through peaceful coexistence with other countries.

The second is to find space to cultivate their own political influence. China's cross-border infrastructure initiative to connect neighboring countries and its adherence to ASEAN and Southeast Asian countries as a priority in its neighborhood diplomacy has drawn careful attention in both Southeast Asia and South Asia. India is also aware of the strategic advantages it can gain from connectivity diplomacy. It sees its sphere of influence far beyond the continent itself, and its cross-border infrastructure initiatives have broadened its diplomatic engagement with neighboring countries in south and Southeast Asia. Demand for natural resources, especially energy, and expanding markets for commercial interests are shaping India's quest for influence with its neighbors.

Finally for the competition in the region's geostrategic competitiveness. The competition and interaction between China and India are mainly reflected in the following three aspects: first, the border dispute between the two countries affects the common neighbor Bhutan; second, the landmark China-Pakistan Economic Corridor project attracts great attention from India; third, China's growing influence in the Indian Ocean. On all three, India has responded strongly and is likely to escalate under competitive conditions.[2] Therefore, the proposal of cross-border infrastructure in neighboring countries is largely to compete for geostrategic competitiveness in the region.

2. Materials and Methods

2.1. Progress of China's cross-border infrastructure initiative in its near abroad.

One important aspect of China-ASEAN cooperation is connectivity. China and ASEAN have signed memoranda of understanding on information, communications and transportation cooperation. At the ASEAN-China summit in 2007, then-Premier Wen Jiabao said, "infrastructure development, such as connectivity, should be given priority." In China-ASEAN leaders meeting in 2011 joint statement "to further advance for peace and prosperity of strategic partnership", points out that the close cooperation, we will strengthen the integration efforts, through support to carry out the "ASEAN interconnection master plan" and the China-ASEAN connectivity project, strengthening the interconnectivity between ASEAN and China and ASEAN[3]. In 2016, the ASEAN connectivity master plan 2025 was officially launched. China and ASEAN countries are working together to advance the steady implementation of a number of transport infrastructure projects, according to the 2017 China-ASEAN transport ministers' meeting. China has undertaken most of the infrastructure construction and transportation links between Myanmar, Vietnam and Thailand, including the construction of roads, ports and airports. In 2015, China and Thailand agreed to build a China-thailand railway, which is related to the interconnection strategy between China and Southeast Asia, connecting Vientiane and Kunming in Laos in the north and Malaysia and Singapore in the south. In 2018, China and Vietnam actively promoted the connection between "One Belt And One Road" and "two corridors and one ring", and carried out cooperation in infrastructure, production capacity, cross-border economic cooperation zone and other key areas. As an observer of the SAARC, China immediately attended the 14th SAARC summit. China said it will continue to speed up connectivity with South Asia and build the blood vessels of bilateral pragmatic cooperation. China's infrastructure expansion in South Asia is mainly concentrated in three key links: the China-Pakistan highway, the China-Nepal highway and the China-Bangladesh highway. China is involved in the construction of Gwadar port in Pakistan and Hambantota Port in Sri Lanka. It intends to develop maritime corridors in the Bay of Bengal and the northern Indian Ocean, and to build a container terminal in Chittagong. The completion and opening of the China-Nepal optical cable construction project in 2018 is not only a key project focusing on the "One Belt And One Road" initiative to expand network connectivity, but also a milestone event in the development of Nepal's Internet infrastructure.

2.2. Progress of India's cross-border infrastructure initiative in its near abroad.

India recognizes that a successful move towards developing infrastructure and securing greater connectivity with ASEAN is essential to facilitate greater intraregional trade. With the launch of the Indo-ASEAN free trade area, India has actively promoted cross-border infrastructure construction with the purpose of promoting the growth of regional trade and gaining greater access to the international market. The government's infrastructure plans face a new sense of urgency as China pushes ahead with infrastructure projects under its "One Belt And One Road" initiative. Funding for road construction and connectivity projects under the interior ministry's Border Area Development Programme (BADP) is also increasing year by year. In 2001, India started the "Indo-Myanmar friendship road" project, and put forward the plan of Indo-Myanmar and Thailand transnational road in 2002. India has always had reservations about the BCIM economic corridor initiative due to security concerns in the northeast and concerns about China's economic rise. As for India's border road construction, the economic times of India said that under the guidance of Modi's "eastward policy", India's investment in roads and railways in the northeast has become a priority. The new east-bound link now aims to not only connect highways to Thailand, but also to Cambodia, Laos and Vietnam, and to shorten the time it takes for goods from Mekong countries to reach India through water transport. The 3rd Bay of Bengal multi-sector economic and technological cooperation initiative summit was held in Myanmar in 2014. Attending the summit, then-Indian Prime Minister Manmohan Singh said that the natural convergence of the countries around the Bay of Bengal provided the impetus for the initiative, and the connectivity and cooperation in trade, investment,

energy and other fields will promote regional economic cooperation. India plans to restart road projects linking India, Myanmar and Thailand in 2017 in a bid to strengthen ties with ASEAN countries, a decision that marks the next stage in the battle between India and China for economic and strategic influence in the region. India's connectivity initiative is most prominent in South Asia, although progress within SAARC has been slow. India has built major highways, several key roads and bridges in Nepal. Within SAARC, India has contributed significantly to Sri Lanka's railway network and power sector through development planning and credit lines. India has also invested in a range of infrastructure sectors in Afghanistan, including hydropower, power transmission lines, road construction and communications. Intra-SAARC trade is currently low, mainly due to a lack of infrastructure links.

3. Results

It brings goodwill to the conduct of foreign policy. China is increasingly engaging with its south and Southeast Asian neighbors, where its charm offensive is most visible. Instead of declaring any hegemonic intentions toward Southeast Asian countries, China has sought to build its influence through a loose foreign policy, active regional engagement, significant foreign aid, and burgeoning commercial interest exchanges that have brought huge benefits to neighboring countries. Countries in the region regard China as a good neighbor, a constructive partner and now a regional power. With this goodwill, China has positioned itself as an indispensable partner in these regional integration agendas. India, too, hopes that connectivity diplomacy in its immediate neighbourhood will bring it great goodwill.

Become the engine of economic growth. Cross-border infrastructure in South Asia will be a potential area for sustained economic development of the two countries. SAARC countries remain India's largest trading partners, and China is experiencing an increase in its export share to the SAARC market. China's import share in the basket of South Asian countries is increasing at a high rate, and its recent connectivity diplomacy is expected to increase further. In 2016, the Asian Infrastructure Investment Bank, initiated by China, officially opened for business. At the end of 2017, the volatile financial development institution, which aims to meet the financial needs of infrastructure and connectivity construction in the Asian region, expanded its capacity several times and increased its membership to 84. The AIIB's support for infrastructure development in Asia and connectivity within and outside the region is bound to inject lasting impetus to the growth of the Asian economy and the global economy[4].

The cross-border infrastructure initiative has expanded geostrategic interests. India is uncomfortable with China's growing connectivity initiative in the two regions, seeing it as a strategy to limit India's strategic influence in China's Tibet, Pakistan and Myanmar. China's cross-border initiative to connect Tibet with South Asia has multiple strategic benefits for China: increased power projection, direct military pressure on India, and priority transport links with countries in India's traditional sphere of influence, such as Nepal and Bhutan, are of concern to India.

4. Conclusion

Cross-border infrastructure initiatives are the main way to achieve strategic penetration. China's cross-border infrastructure initiatives in south and Southeast Asia are both designed to enhance its ability and influence to project in these regional countries to suit its long-term interests. Specific measures include subsidies, low-interest loans, high-profile development projects, technical assistance and foreign investment to participate in regional mechanisms. One of the most notable aspects of China's strategic penetration in these areas is driven by cross-border connectivity. This has the potential to isolate India in South Asia and further reduce its traditional strategic space in South-East Asia unless India has begun to associate itself with its immediate neighbours. It is also a catalyst for economic and trade development. Although it is too early to quantify the strategic benefits, it can be observed that the initiatives of China and India are being welcomed because they

are producing tangible economic benefits. Given China's large manufacturing export surplus, but India's growing current account deficit, the difference in the current level of infrastructure aid outflow between the two countries will remain in the near future.

Increased connectivity has also facilitated the entry of cheap Chinese exports, and the growing trade balance in favor of China in the ASEAN and south Asian free trade area will become an area of concern.

The future remains an important part of our foreign policy. Based on feedback on the effectiveness of past cross-border infrastructure initiatives, as well as increasing input from both countries. Cross-border connectivity diplomacy will still occupy a special place in the foreign policy considerations of the two countries' close neighbors. China's experience shows that cross-border infrastructure initiatives occupy an important position in foreign policy. Infrastructure construction is the basis for sustainable economic development and social development, and will remain an important part of the foreign policy of the two countries in the long run.

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