



Centre for Air Power Studies (CAPS)

Forum for National Security Studies (FNSS)

44/17

CHINA'S BELT AND ROAD INITIATIVE FORUM: UNDERSTANDING INDIA'S POSITION

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On 14 May 2017, China organised the Belt and Road Initiative (BRI) Forum (also referred to as One Belt One Road (OBOR)). The BRI has managed to bring on board more than 100 countries and international organizations with nearly 68 countries having signed cooperation agreements with China. The two day event was a platform for a more open and efficient international cooperation for balanced international governance. The six economic corridors as part of BRI are the New Eurasian Continental Bridge, the China-Mongolia-Russia corridor, the China-Central Asia-West Asia corridor, the China-Indochina Peninsula corridor, the China-Pakistan Economic corridor, and the Bangladesh-China-India-Myanmar corridor.¹ The relevance of BRI to China can be broadly based on three key objectives:

1) Economic Factor- BRI is China's 'soft power' tool to rise as an economic power through huge investments, trade corridors

etc. Through sustainable economic growth, China's key aspiration is to emerge as a major challenge to the pre-eminence of the US. In this direction, some of the key investments in the BRI include \$ 40 billion (100 billion Yuan) to a Silk Road Fund. It has also set up the Asian Infrastructure Investment Bank (AIIB) in 2015 to provide financing for infrastructure improvement in Asia alongside Chinese banks extending 300 billion Yuan in overseas capital.²

2) Connectivity: The Chinese have for long argued that the BRI is based on the historic roots of the Silk Road that used to be open and strove towards development for all. As the BRI focuses on Asia, Europe and African continents, the Silk Road Economic Belt takes the overland route to Europe across Asia, alongside the Maritime Silk route through India Ocean



to Europe via the Suez or the Cape of Good Hope.³ As China aims to be the leader in world economy, European market is seen as the key factor in its ambitious BRI. In achieving its goals, China needs a more stable and secure connectivity for supply and access to resources for its economic growth.

3) Strategic goals: So far, China has moderately succeeded in executing its national and foreign policy interests through financial assistance and infrastructural development in countries such as Central Asian Republics and Pakistan. Such measures have also assisted in successfully executing China's strategic goals. The 'all weather friendship' between Pakistan and China for instance has resulted in the construction of Gwadar Port and initiation of CPEC— an economic corridor.

The forum was thus organised with an aim to make the unilateral ambitious trade and investment grand plan achieve global attraction and consent. The two day event garnered huge global and media attention, but India- China's neighbour- preferred to stay away from the summit. The official statement of India regarding the same is as follows: *"We are of firm belief that connectivity initiatives must be based on universally recognized international norms, good governance, rule of law, openness, transparency and equality... Connectivity projects must be*

pursued in a manner that respects sovereignty and territorial integrity" ⁴ . Evidently, India's displeasure with China's BRI project is the high-handed China driven approach. The unilateral initiative without widespread consultation and with no multilateral dimension does not appeal to India. Moreover, the CPEC corridor traverses through the disputed Gilgit-Baltistan region. While some have reported this move by India as a 'strategic risk' and by some as 'diplomatic failure', it is therefore important to analyse how and whether India has made any impact by boycotting the BRI Forum organised by China.

With China explicitly blocking both India's moves to get Jaish-e-Mohammad Chief Masood Azhar designated as a terrorist as well as its NSG membership, this has only proved that Beijing will not accommodate India's interests. More importantly, the CPEC corridor is a project that has ignored India's core concerns on sovereignty and territorial integrity as it runs through the disputed Gilgit-Baltistan region. India's grievances have continuously fallen on 'deaf ears' as China has proceeded with the project. However, India's decision to not participate in BRI conveys that irrespective of China being a powerful neighbour, India's national interests, territorial integrity and strategic autonomy will be the key factors in defining its bilateral relations with China. Should India have become a part of the project that is initiated by China, 'leverage' would always have been a concern between the two countries. Though it is seen as a

strategic risk, India has managed to convey that even though the BRI project conceived by China is lucrative on paper, it has failed to attract its key neighbour- India.

India is the only major power that has abstained from participating in the BRI forum organised by China, while countries such as Russia and the US have participated. This only conveys that India is on its own in deterring China's ambitious project without the support of global community especially from its key strategic partners- Russia and the US. At the same time, though some countries that have sent representatives to attend the BRI forum such as Japan, Vietnam, and Myanmar are wary of the Chinese initiatives and intentions. The reasons for the lukewarm response by these countries to China's BRI are security, strategic and economic concerns along with impingement of sovereignty. By becoming part of China's BRI, the countries involved may find themselves in a similar position such as Sri Lanka which finds itself in a debt crisis vis-a-vis China.

Conversely, India has sought to balance China's unilateral infrastructural initiative by engaging countries such as Japan through multilateral projects. In this direction, the key strategic outreach of India-Japan infrastructural developments stretches from the Asia-Pacific to Africa. Japan is expected to join India in the expansion of Iran's Chabahar port and Sri Lanka's Trincomalee port and also the Dawei

port along the Thai-Myanmar border. The aim of the engagement is to counter Chinese designs of BRI's international connectivity that has attracted the displeasure of countries such as India and Japan.⁵

Additionally, the status of BCIM also requires attention which is one of the six economic corridors of the BRI. On 26 April 2017, a two day meeting was held in India to revise the reports on the BCIM by the respective countries involved in the project. This project is yet to see the light of day due to divergence of interests and agendas between the groupings two giants- India and China. As a result, Beijing is under pressure to bring India on board for the realisation of the BCIM project. It would be interesting to see how India will engage China into reconsidering its concerns regarding the CPEC project if Beijing wants to carry on with its BCIM project.

China's BRI has more than 68 countries on board which has boosted its confidence in taking forward its dream project. But, as the saying goes, 'diplomacy starts where a country's borders starts'; China thus needs to maintain cordial relations with its neighbours in executing its national interests and overall development of the country. India's refusal to be a part of the BRI should prompt Chinese political elites to reconsider and address the grievances of India especially with regard to the CPEC route which passes through the disputed Gilgit-Baltistan region. In this direction, China alongside its

'peaceful rise' foreign policy concept needs to revisit the Panchsheel principles that stand for respect for territorial integrity and sovereignty of other nations. Rekindling its bilateral relations and trust, and overcoming the impediments with India will be a major factor in the scope and success of the BRI project.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

Notes

¹ "China Focus: What to expect from Belt and Road Forum", *XinhuaNet*, 13 May 2017. http://news.xinhuanet.com/english/2017-05/01/c_136248648.htm accessed on 17 May 2017.

² "Your quick guide to what Xi Jinping said in his 'Belt and Road' keynote speech", *South China Morning Post*, <http://www.scmp.com/news/china/diplomacy-defence/article/2094250/your-quick-guide-what-xi-jinping-said-his-belt-and-road> 14 May 2017.

³ Manoj Joshi, "China's One Belt One Road Project is Paving Its Way Into Europe", *The Wire*, <https://thewire.in/135236/china-obor-europe/> 13 May 2017. Accessed on 17 May 2017.

⁴ Official Spokesperson's response to a query on participation of India in OBOR/BRI Forum, *Ministry of External Affairs, Government of India*, 13 May 2017. <http://mea.gov.in/media-briefings.htm?dtl/28463/Official+Spokespersons+response+to+a+query+on+participation+of+India+in+OBOR+BRI+Forum> accessed on 17 May 2017.

⁵ Dipanjan Roy Chaudhury, "Pushing back against China's One Belt One Road, India, Japan build strategic 'Great Wall'", *Economic Times*, 16 May 2017. <http://economictimes.indiatimes.com/news/economy/infrastructure/pushing-back-against-chinas-one-belt-one-road-india-japan-build-strategic-great-wall/articleshow/58689033.cms> Accessed on 17 May 2017.