South Asia rivalry

India needs to strike a fine balance with China, all the while recovering some lost ground in the South Asia region

By Yubaraj Ghimire | 03.07.2019

This week, he triumphantly reaped one of the biggest electoral harvests of the post-truth age, giving us more reason to fear the future’, Pankaj Mishra wrote in a New York Times editorial on 23 May, as Narendra Modi’s Bharatiya Janata Party (BJP) topped the polls to retain power for a second straight term in India. For the US, Europe and the South Asia region, India’s democratic exercise, being home to 1300 million people and 900 million eligible voters, had been a matter of interest – and concern. The New York Times quite rightly voiced that concern, but it didn’t quite catch the meaning and impact of the electoral verdict in India and outside.

The National Democratic Alliance led by Modi’s BJP swept to victory with over 350 seats in the 543-member Lok Sabha, the Lower House of the bi-cameral federal parliament. The BJP alone secured 303 seats, which not only constitutes an absolute majority with 37.5 per cent of the votes, but also set a record in its electoral history. The outcome defied pre-poll skepticism so that, in the final count, Modi emerged more powerful than during his last tenure. He not only got more seats and votes than last time, but became a personal triumph since the opposition and opinion leaders had turned the election campaign into a referendum on Modi.

During its campaign, the BJP continuously harped on national security issues, stating that India’s safety would invite bigger threat from across, pointing the finger towards Pakistan and accusing its Islamic neighbour of harbouring terrorists and using them against India. Despite fears of war however, Pakistan’s Foreign Secretary landed in Delhi during the Eid-Ul-Fitr festival on 5 June (ostensibly on a private visit), while the Indian High Commissioner in Islamabad, Ajay Biswas, called Pakistan’s President Arif Alvi on the occasion.
These are some positive steps and how the two countries move forward will have decisive impact on the fate and future of the 33-year old South Asian Association for Regional Cooperation (SAARC) that has become passive with an uncertain future under the shadow of the Indo-Pak conflict.

**The South Asian agenda**

In any case, all of this clearly shows that Indian diplomacy in the South Asia region will concern itself with ‘anti-terrorism’, peace and economic prosperity in the years to come. That will also need to entail neutralising the growing Chinese influence as competitor to India, which earlier used to claim the region (minus Pakistan) as its exclusive sphere of influence.

Apart from Pakistan, Sri Lanka and Nepal have signed up to be part of the Belt and Road Initiative (BRI), already attracting large investments, while Bangladesh has opened its stock exchange to the Chinese. Bhutan and China have been negotiating to start diplomatic relations with resident missions. Nepal and China have commissioned a feasibility study for railway connectivity through a mountainous route.

The US and India, on the other hand, warn Nepal about falling into an irreversible debt trap. The 99-year old lease agreement with Sri Lanka for the Hambantota port has already provided China with an important base, one that makes India uncomfortable. In all these countries however, a Chinese withdrawal and a turn to India is neither feasible, nor without enormous costs in terms of diplomacy, economy and development. This only increases India’s challenge to befriend the neighbours that are drifting away.

Apart from having to strike a fine balance with China, India will be able to regain some of its lost ground in the region only if it matches its bilateral developmental commitments and projects. Even more important would be emulating China’s principles to respect the sovereignty of the partner country without interfering in its internal politics. China and India, the emerging world players and competing heavy weights in regional development and politics, will be accepted in the region depending on whether they contribute to the peace and development, or confront one another for their individual interest.

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In May 2019 and mid-way through the Indian elections, China decided to follow the rest of the UN security council in having Masood Azhar, Head of Jaish-e-Mohammed, designated as an international terrorist.

This contrasted with its past vetoes and might have helped Modi and his party to substantially gain in the polls. It seemed to be an endorsement of Modi’s ‘nationalist card’. There are now speculations that Modi and President Xi Jinping will take further the spirit of the Wuhan summit in April 2018 defining their role and interest in the region, and perhaps finding ways to lay a solid foundation for Asian geopolitics in the years and decades to come.

**Shifting geopolitics in South Asia: Nepal’s example**
A lot will depend on how the two players settle contentious issues between themselves and other countries and regional blocks that are part of their security, economic and industrial interest. But that does not minimise India’s need to diplomatically handle its relations with each of the region’s countries bilaterally.

While Pakistan-India-relations are of a particular nature, every other country in the region has different issues with India that need different approaches. But it’s clear that India needs to change the perception from the outside that it has a ‘big brother mind-set’. The Indian initiative to mend its relationship with Nepal is a particularly striking example of shifting geopolitics in the region.

Despite a common thread of civilisation, history, culture and religion (with both having more than 80 per cent Hindu population), their relationship has seen unprecedented downside and distrust, especially during the past 13 years. Like in Sri Lanka in early 80s, India gave shelter and even armed training to the Nepali Maoist guerrillas [communists who formed a separate grouping claiming they were guided by Chinese leader Mao Tse Tung’s philosophy]. These guerrillas launched an armed insurgency between 1996 and 2006 to have Nepal, the world’s only Hindu Kingdom transformed into a ‘secular republic’. After the insurgency, India acted as a ‘mediator’ bringing Nepal’s seven major political parties and the Maoists together. In 2006 May, Nepal was declared a secular country and the 240-year old Monarchy was suspended. (And abolished altogether in 2008)

India not only took a lead in influencing Nepal’s domestic politics during this radical transformation, it also brought the EU and the US together on the issue. But the presence of these distant powers has resulted in China getting more suspicious and enhancing their physical presence and investment (China is the biggest contributor of FDI now). China’s success in making Nepal part of the BRI fold presents India with a big challenge to reclaim its traditional clout.

India also imposed a 134-day long economic blockade in Nepal from September 2015 when the country refused to delay the promulgation of the new constitution for longer deliberation. While the blockade has made the Indian government unpopular across the political spectrum, what worries the Nepalis most is the prolonged uncertainty, growing corruption and trends of the ruling Communist party establishing control over judiciary, constitutional bodies, civil bureaucracy through draconian amendment.

So while India’s initial support to radical-left politics and the economic blockade have tarnished its image, the next actions will determine how Modi will be judged in Nepal and how he himself will reconsider India’s role and impact in Nepal. Modi is a man known for business, generating hope in the region that all may eventually go well.