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CHINA AND THE US IN SOUTH ASIA: COOPERATION OR CONFRONTATION?

Abstract

South Asia is experiencing a new kind of dynamism with impressive economic growth coupled with changing geopolitical landscape. It is undergoing geopolitical transformations primarily driven by China's growing political and diplomatic clout in the region and the US attempt to recalibrate its strategy in South Asia. These transforming dynamics are triggering new alliance system in the region between India and the US, on the one hand and Pakistan and China on the other. In this context, the central research question of the paper is, whether the increasing involvement and interest of China and the US in the region will lead to cooperation or confrontation. Therefore, the paper addresses several guestions. It examines the significance of South Asia. It also explores the interests of both China and the US in South Asia with the focus on their existing level of involvement with the regional countries. Finally, the paper argues that China and the US, both are trying to maximise their share of world power in different regions in the world. In this process, they are competing in South Asia and the competition can have various vicissitudes, but there is always a threat that the competition could turn into a confrontation in the changing realities of South Asia.

1. Introduction

The politico-strategic conception of South Asia is changing. The region is experiencing a new kind of dynamism with one of the fastest economic growths, young nations and maritime transit route translating it as a geo-strategically important region in the world. Coupled with these developments, South Asia, of late, is wrought with shifting geopolitical dynamics driven by China's growing political and diplomatic footprint in the region and the US effort to manoeuver its renewed strategic interest in the region. The changing geopolitics of South Asia has brought a new paradigm in regional power dynamics. China is vying to increase its role in South Asia. It is trying to project itself as a major power in the region. In this process, China is tightening its ties with Pakistan. The region is experiencing China's burgeoning relationship with Pakistan. China's flagship project in Pakistan, China Pakistan Economic Corridor (CPEC) is expected to have a number of ramifications for the region. Growing influence of China over Pakistan has made the US to reassess its strategic calculations towards the region. Against this backdrop, the US has consolidated its relations with India. The

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new South Asia policy crafted by the US under Trump Administration has signalled a greater role and space for India in the region. Thus, a new kind of bipolar alliance system is emerging in South Asia with India and the US on the one hand, and Pakistan and China on the other.

Given this context, a number of pertinent questions arise. What is the significance of South Asia? What are the interests of China in South Asia? What are the interests of the US in South Asia? What are their levels of engagements with South Asia? Whether China and the US will cooperate or confront each other in South Asia?

In the post-Cold War global political scenario, there was a trend towards widening and deepening of the security studies. Therefore, the referent object of security became the individuals. Many in the western world believed that the end of rivalry between the two superpowers brought a sea change in states' security competition with each other. For some, the post-Cold War global politics was marked by "the end of history" thesis which predicted the triumph of western ideas of governance and an end of ideological evolution. Later, the deadly path-breaking incident of 9/11 happened which brought a paradigm shift. "The states" once again were considered as referent object of security. Yet, the most vocal group of skeptics argued that international politics has entered such a phase in which chances of major powers' engaging in intense confrontation are limited. There is no concrete evidence demonstrated by China's behaviour that suggests China as a revisionist power. The idea of a military rivalry between China and the US, thus the argument goes, is remote. But this perspective has some limitations. It cannot fully explain why and how China and the US are scaling up their involvements in South Asia and interacting with the South Asian countries to increase their footprints in the region. This article offers an alternative explanation which suggests that China and the US will confront with each other for power over the South Asian region. Their competition will wax and wane. Both China and the US will try to maximise their share of world power in this region. The confrontation will get intense with the focus on changing the existing global distribution of power. International system will influence them to look for opportunities to gain domination at the expense of others for security purpose.

Drawing on different documents, the paper has been organised as follows. Section two examines the significance of South Asia. Section three provides detailed engagement of China in South Asia with a focus on China's South Asia strategy. After detailing out China's engagements in South Asia, section four reviews the US engagements with South Asia with a focus on the US South Asia Strategy. Then the paper argues in section five that China and the US will engage in intense security competition in South Asia. After addressing the argument, the paper concludes by summarising the findings of the paper.



2. Significance of South Asia

The significance of South Asia has increased over decades. The great powers have assumed South Asia as a geo-strategically and geopolitically important region in the course of time. During the Cold War, great powers played a divisive role in South Asia. The region was brought into the limelight of international politics when the issue of 1962 China-India border conflict came into focus. Besides, the Cold War politics in South Asia revolved around India-Pakistan rivalry, China-Pakistan border skirmishes and others. With the end of the bipolar world, a new world order has emerged with lots of opportunities for the different regions of the world. In this process, South Asia took a new shape in the new global order which was reinforced with the 1998 nuclear tests done by India and Pakistan.¹ The nuclear issue added significance to the region of South Asia. The region transformed again with another development, namely the 9/11 which transformed the global political landscape.² In the aftermath of 9/11 event, there were many drastic political developments in the world as well as South Asia. The region's security arrangements have undergone a huge transformation through 9/11 tragic events. Immediately after the 9/11 attacks, the US Administration declared "War on Terror". They identified al-Qaeda network and its leader Osama Bin Laden responsible for the attack. The US demanded Taliban regime in Afghanistan which hosted Osama Bin Laden to hand him over to the US. When the Taliban refused to do so, the US launched "Operation Enduring Freedom" in which the US involved in Afghanistan militarily. The war in Afghanistan had a major repercussion in the region and beyond. There is an absence of any major success in countering terrorism and violent extremism in Afghanistan. Consequently, its effects spilled over the region. Despite this, the countries in the regions are confronting terrorism and violent extremism with varied level of success. However, there are two major developments which have drawn the major powers like China and the US increasing security and strategic engagements in the region. First, rising geopolitical and geostrategic importance of the region have made China and the US reassess their strategies in the region. South Asia consists of eight states: Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, Sri Lanka and Afghanistan. Approximately 1.4 billion people live in the region which is one-fifth of the world's population.³ Thus, it is home to more than 20 per cent of the world population. South Asia is geographically located as a midway between the Middle East and the South East Asian regions.⁵ It occupies a critical geostrategic location in Asia. It serves as a strategic link between the Middle East, Central, Eastern and Southeastern Asia. It has links with vital sea lanes of communication in

¹ B. M. Jain, *India in the New South Asia*, New Delhi: Viva Books, 2011, p. 1.

lbid.

³ Delwar Hossain, "18th SAARC Summit: A Perspective from Bangladesh", Dhaka Discourse, Institute of Peace and Conflict Studies, 15 December 2014, available at http://www.ipcs.org/article/south-asia/18th-saarc-summit-a-perspective-from-bangladesh-4776.html, accessed on 09 January 2017.

⁴ Anil Kumar P, "China's Involvement in South Asia and India's Concerns", in K. M. Sajad Ibrahim (ed.), *South Asia: Post Nehruvian Dynamics of Diplomacy*, New Delhi: New Century Publications, 2013, p. 150.

the Indian Ocean and easy access to the oil and gas reserves of the Persian Gulf and Caspian Basin.⁶ It is a region that lies between the sea routes of the Indian Ocean and the land routes of Central Asia connecting Europe to the East.⁷ Besides, it is a large reservoir of natural and human resources, a lucrative market for trade and a source of cheap raw materials.⁸

In this context, China is making inroads into South Asia. There is a surge of Chinese economic and diplomatic presence in the region. China is consolidating its relationship with the South Asian countries through bilateralism. At the same time, it is roping the regional countries into the China-led Belt and Road Initiative (BRI) which is expected to bring about a win-win situation for all. The mainstay of this initiative is regional transport connectivity which is a fundamental need for China. These arrangements would help China consolidate its sphere of influence in the Indian Ocean. Since China is heavily dependent on imported energy resources, these resources pass through the strategic channels of the Indian Ocean. In addition, China conducts a significant volume of its maritime trade through the Indian Ocean and most of it passes through the Malacca Strait over which China has little control.9 Thus, maintaining close ties with the regional countries are important for China. Similarly, the US is also eager to keep its influence in such a geo-strategically and geopolitically important region. Its overall posture towards South Asia has evolved over the course of time. At present, it is attempting to rebalance and recalibrate its strategy in the region. It is aiming at developing its strategic clout to stem Chinese growing influence in the region. In this process, the US has been maintaining close ties with India. Second, South Asia is one of the fastest growing regions in the world. The economies of South Asia are booming. They are experiencing positive economic momentum. According to Asian Development Bank, South Asia is driving Asia's economic growth and its economic growth is expected to rise to 7.2 per cent in 2018.¹⁰Against this backdrop, both the powers want to reshape the economies of South Asia in line with their national interests. China is leveraging trade and investment to consolidate its relations with most of the South Asian countries. Almost all the countries in the region now trade more with China. China has become the largest trading partner of most of the South Asian countries. Besides, South Asia represents a lucrative market for finished products. Both China and the US want to capture the South Asian market. South Asia is also an important market for arms sale. Presently, China is the 3rd largest

⁶ Md. Shafiqur Rahman, "United States Interests in South Asia and Geo-strategic Options for Bangladesh", NDC Journal, Vol. 6, No. 1, 2007, p. 160.

⁷ Anil Kumar P, op. cit.

⁸ Ibid.

⁹ Md. Safiqul Islam, "Sino-Bangladesh Relations: Geo-political and Geo-Strategic Implications", in Bhuian Md. Monoar Kabir (ed.), *Sino-South Asian Relations: Continuity and Change*, Chittagong: Dept. of Political Science, University of Chittagong, 2013, p. 202.

¹⁰ "Booming South Asia is Driving Economic Growth in Asia", Asian Development Bank, 27 April 2017, available at https://www.adb.org/news/features/booming-south-asia-driving-economic-growth-asia, accessed on 05 May 2017.



arms provider in the world. Between 2011 and 2015, 71 per cent of Chinese arms were exported to Pakistan, Bangladesh and Myanmar.¹¹ Thus, South Asia is also a lucrative market to invest and engage. These factors of South Asia have driven both China and the US which would play a key role in shaping the political, security and strategic landscape of the South Asian region in the coming decades.

3. China's Growing Stakes in South Asia

China shares borders with five South Asian countries: Afghanistan, Pakistan, India, Nepal, and Bhutan. Over the years, China has built up a close relationship with South Asian countries. China's relations with South Asia took a tangible shape after the 21st century.¹² Prior to the 21st century, the region of South Asia was not included in China's priority list. The trajectory of their relationship took an interesting path in the course of time. During the Cold War period, the superpowers' rivalry was translated to the local level by regional and extra-regional powers: India, Pakistan, China and the Soviet Union. The former communist allies China and Soviet Union's interests came into conflict in the 1960s. As a part of the Cold War, Soviet Union provided military, economic and technical assistance to India to make it as a counterweight to China. 13 This Cold War politics gave a push to Sino-Pakistan entente. With the end of the Cold War, a new window of opportunities and challenges came to the fore. The end of Cold War has brought an end to the bipolarity which induced the emergence of new political actors in different regions. In this context, China started to play a more leading role in new global political paradigm. In the post-Cold War period, China aimed to expand multi-dimensional cooperative relations with all the countries in the South Asia region.¹⁴ China's engagements in South Asia can be attributed to two different factors: domestic and external. At the domestic front, China wants to ensure the current pace of development by gaining sources of raw material across the globe. It is heavily dependent on imported energy resources. Most of its imports pass through the Strait of Malacca in the Indian Ocean. But the US and India can cut China's access to the Indian Ocean as they maintain a strong naval presence in the Ocean. Thus, China wants to cultivate friendly relations with the countries in the region of South Asia through bilateralism and multilateral initiative like the BRI. These can help China enhance its access to the Ocean. On the other hand, China wants to increase its strategic power projection. Growing presence of the US in Asia-Pacific has become a major external factor for China to consolidate its weight in the region. 15 China's South Asia policy can be understood by closely monitoring President Xi's speech in New Delhi in 2014 when he said, "A peaceful, stable and prosperous South Asia conforms

¹¹ Avia Nahreen, "The Growing Strategic Importance of Bangladesh to China", The Daily Star, 21 April 2017.

¹² Joseph Antony, "China's South Asian Strategy in the 21st Century", in K. M. Sajad Ibrahim (ed.), *South Asia: Post Nehruvian Dynamics of Diplomacy*, New Delhi: New Century Publications, 2013, p. 53.

¹³ Ibid.

¹⁴ Anil Kumar P, op. cit.

¹⁵ Joseph Antony, op. cit., p. 62.

to China's interests". He also stated that China led BRI initiative will work in the joint interests of China and South Asian nations in terms of connectivity. The cornerstone of China's foreign policy in South Asia is to create a long-term and favourable external environment. According to Dr. Li Li, in the past, it was said in China that *mulin, fulin, anlin* which means establishing an amicable, secure and prosperous neighbourhood.¹⁶

The paper examines China's expanding engagement with South Asia. With reference to India, it has a strategic hold over the South Asian region. It has borders with all South Asian countries except the Maldives. India has substantial regional influence in South Asia. India does not want any other extra-regional power to intervene in the regional affairs. On the other hand, China, an extra-regional power has been normalising and intensifying bilateral relations with South Asian countries. China's growing political influence in the region has a deep impact on India in terms of regional politics. It is because India is often considered a regional power but the growing intensity of the relationship between China and its South Asian partners is stimulating India to revitalise its role in the region. Compared to India, China will have an upper hand in terms of providing economic, military and technical assistance to these countries. India lacks the political, economic and military capacities to pursue their regional power ambitions in the neighbourhood in the long run. Initially, only Pakistan took the advantage by partnering with China to realise its goals. Presently, other South Asian countries are also trying to tighten their relations with China. China is trying to be a part of this regional politics maintaining all these relations with great political acumen. However, China has bilateral relations with India and is cooperating on different fronts like Indian infrastructure building such as two Chinese Industrial Parks in India; railways cooperation; civil nuclear energy cooperation and others.¹⁷ Thus, China is growing its stakes in India.

Another important actor of South Asia is Pakistan. Its location makes it a geostrategically important country in South Asia. It is a country which connects South Asia, Central Asia and the Middle East. Thus, maintaining close ties with Pakistan would help China to create its own space in the region and beyond. China-Pakistan bilateral relations have strengthened over time and gained momentum after the end of 1962 Sino-Indian War. Over the course of time, China has become Pakistan's largest defence supplier. China had a major role to play in the development of Pakistan's nuclearisation programme. Besides, China and Pakistan have concluded a Free Trade Agreement (FTA). Consequently, around 11 per cent of Pakistan's imports come from China. China is investing heavily in the development of Pakistan's infrastructure including Pakistan's deep water port in Gwadar, located at the mouth of the Strait

¹⁶ Li Li, "China's Relations with South Asia", paper presented in Lecture on *China's Relations with South Asia*, organised by BIISS and BEI, Dhaka, 23 November 2015.

¹⁷ Ibid

¹⁸ Harsh V. Pant, "China in South Asia", in Harsh V. Pant (ed.) *The Rise of China: Implications for India,* New Delhi: Cambridge University Press, 2012, p. 236.



of Hormuz, In this respect, India is closely monitoring Chinese presence in the Bay of Bengal via roads and ports in Burma and in the Arabian Sea via the Gwadar port in Pakistan.¹⁹ With access to crucial port facilities in Egypt, Iran and Pakistan, China is creating its sphere of influence in the region and beyond. Pakistan intends to cope up with the growing Indian might by gaining military resources from China while China wants to assist Pakistan to make it an instrument to counter India's clout in the region.²⁰ China and Pakistan are now more focused on CPEC. During Chinese President Xi Jinping's visit to Pakistan in April 2015, China-Pakistan relationship has been elevated to an all-weather strategic partnership. Xi's visit produced 51 deals worth of US\$ 46 billion, among which 30 plus related to CPEC, covering infrastructure projects such as seaport, airport, highway, railway, power plants, etc. For Chinese President Xi Jinping, CPEC is a 1+4 cooperation structure. One is CPEC and another four is Gwadar port, communication infrastructure, energy and industrial cooperation. For Chinese Premier Li Keqiang, CPEC is a "flagship" project to strengthen China's connectivity with neighbouring countries.²¹ Thus, China-Pakistan relations are increasing China's growing role in the region.

China is also expanding its relations with Bangladesh. Bangladesh is located at the head of the Bay of Bengal. It is configured as a bridge between South Asia and Southeast Asia. It holds strategic significance not only in the South Asian regional context, but its importance extends to the geopolitical dynamics of Asia as a whole.²² Thus, Bangladesh holds an important position in China's South Asia strategy. Bilateral relationship between China and Bangladesh has grown steadily over time. In 2005, China, for the first time, surpassed India, as the largest import source of Bangladesh.²³ China has provided considerable monetary assistance on easy conditions in building infrastructure in Bangladesh. The six "China-Bangladesh Friendship" bridges, Bangabandhu International Conference Centre and other structures etc. are symbols of friendship and assistance of China to Bangladesh.²⁴ Regarding military and defence cooperation, China has remained the biggest partner of Bangladesh. Bangladesh and China signed a Defence Cooperation Agreement in 2002.25 During the latest Chinese President's visit to Bangladesh in October 2016, both sides agreed to upgrade their relationship from 'Closer Comprehensive Partnership' to 'Strategic Partnership' and Bangladesh has formally joined BRI. During this visit, China has committed

¹⁹ *Ibid*.

²⁰ Ibid.

²¹ Ibid.

²² Bruce Vaughn, "Bangladesh: Political and Strategic Developments and U.S. Interests", Congressional Research Service, 2010, available at https://fas.org/sqp/crs/row/R41194.pdf, accessed on 02 December 2016.

²³ Lailufar Yasmin, "Bangladesh and the Great Powers", in Ali Riaz and Muhammad Sajjadur Rahman (eds.) Routledge Handbook of Contemporary Bangladesh, Norwich: Routledge, 2016, p. 393.

²⁴ Tareque Shamsur Rahman and Mohammad Jasim Uddin, "Bangladesh and China: A Review of 35-Year Relations", *Journal of International Affairs*, Vol. 15, Nos. 1 and 2, 2011, p. 50.

²⁵ Iftekhar Ahmed Chowdhury, "Bangladesh-China: An Emerging Equation in Asian Diplomatic Calculations", *ISAS Working Paper*, Institute of South Asian Studies, No. 105, 2010, p. 4.

Bangladesh to provide US\$ 24.45 billion as financial assistance which is going to be the biggest assistance for Bangladesh from any country. For China, the strategic partnership with Bangladesh is designed to protect Chinese interest that is getting transport connectivity with the inclusion of Bangladesh into its grand strategy, the BRI, thus creating a congenial environment for its continual rise. This new partnership will help to regulate China's important bilateral relations with Bangladesh and it will strengthen China's weight in South Asian regional context.

China is demonstrating signs of closer engagement with Afghanistan. It is clearly increasing its stakes in Afghanistan. Today's China-Afghanistan security relations have reached an unprecedented height. China's increasing engagements in Afghanistan's diplomatic and economic issues are also noticeable. It has been taking an active interest in Afghanistan's issues since 2001.²⁷ After the formation of Afghanistan's National Unity Government (NUG) in 2014, China announced military assistance to Afghanistan for the very first time. China's security interest in Afghanistan is directed at the completion of the Belt and Road Initiative and the extension of the CPEC to Afghanistan. China also wants to remove safe havens for Uyghur militants in the Af-Pak belt.²⁸ China is presently looking forward to creating a trilateral cooperation among China, Pakistan and Afghanistan. In December 2017, China hosted the first China-Afghanistan-Pakistan Foreign Ministers' Dialogue.²⁹ The establishment of this dialogue illustrates that China wants to incorporate both Pakistan and Afghanistan in its clout of influence through this dialogue mechanism. If this trilateral cooperation goes smooth, it will give a tough challenge to the US role in the region.

China's engagements with Nepal have assumed significance. Nepal is located in a pivotal position in South Asia. Nepal is landlocked by India on three sides and China's Tibet Autonomous Region to the north.³⁰ Paschimbanga's narrow *Siliguri Corridor* or Chicken's Neck separates Nepal and Bangladesh. For China, Nepal is significant since it is contiguous to autonomous region of Tibet.³¹ Interestingly, it shares the border with both China and India. Nepal is a crucial part of China's inner security ring.³² China's Nepal policy is founded on ensuring Nepal's neutrality on Tibet issue. China wants to secure full cooperation and support of Nepal government to prevent Tibet from conducting anti-China activities.³³ It is considered that Nepal

²⁶ Muhammad Azizul Haque, "Xi Jinping's Milestone Visit: Transforming Dynamics", *The Daily Star*, 19 October 2016.

²⁷ Ahmad Bilal Khalil, "The Rise of China-Afghanistan Security Relations", *The Diplomat*, 23 June 2016.

²⁸ Ibid.

²⁹ Charlotte Gao, "Why is China Holding the China-Pakistan-Afghanistan Dialogue Now?", *The Diplomat*, 27 December 2017.

³⁰ Ministry of Foreign Affairs, Government of Nepal, "Nepal's Foreign Policy", available at https://www.mofa.gov.np/foreign-policy/foreign-policy/, accessed on 20 January 2017.

³¹ Rama Kant, "Nepal's China Policy", China Report, Vol. 30, No. 2, pp. 164-166.

³² Harsh V. Pant, *China's Rising Global Profile: The Great Power Tradition*, Portland: Sussex Academic Press, 2012, p. 45.

³³ Ibid.



constitutes an important part in China's "inner security ring". On the other hand, India considers Nepal as a land barrier against China. Tibet's annexation to China in 1950 has increased India's concern. This is because, Tibet was considered as India's buffer with China.³⁴ Now, Nepal is considered as a buffer. In 1955, China and Nepal started their diplomatic relations. China is providing economic aid and supporting Kathmandu in its disputes with New Delhi. The trade volume between the two is also growing. China is the largest foreign investor in Nepal. It is investing in two large hydropower projects in Nepal. China perceives Nepal as a bridge toward South Asia.

China's relations with Sri Lanka occupy a special position in the regional architecture. Since Sri Lanka is strategically located in the Indian Ocean, Chinese growing political clout concerns India. It is because India considers the Indian Ocean as its exclusive area of influence.³⁵ China is building a deep port in Hambantota, Sri Lanka. This would help China to gain a strong foothold in the Indian Ocean. On the contrary, Sri Lanka also took China's assistance to evade Indian influence on it. However, China-Sri Lankan bilateral relations were established in the 1990s. China has emerged as the largest trading partner of Sri Lanka. It is the first foreign country to have an exclusive economic zone in Sri Lanka.³⁶ China is involved in a range of infrastructural development projects in Sri Lanka, namely constructing power plants, modernising railways, launching communication satellites etc.³⁷ China also provides military hardware and training to Sri Lanka. Thus, China's growing bilateral relations with Sri Lanka would help it gain a significant position in the regional architecture.

The Maldives, an Indian Ocean country, is considered as a pearl in the Indian Ocean by China.³⁸ China and the Maldives are taking the bilateral relations to the next level. Their engagements on different issues from political to economic are on the upswing. China is investing in infrastructure projects in the Maldives. It constructed a building to house the Maldives Ministry of Foreign Affairs. China also built a national museum. It was also involved in the 1000 Housing Units Project.³⁹ Furthermore, cooperation on several renewable energy projects, tourism and telecommunication sectors, defence sectors are ongoing.⁴⁰ The Maldives is actively participating in the Maritime Silk Road initiative of China. It has signed a Memorandum of Understanding (MoU) which brought it in the maritime component of the BRI.⁴¹ In this respect,

³⁴ Ibid.

³⁵ B. M. Jain, *op. cit.*, p. 149.

³⁶ Ibid.

³⁷ Ihid

³⁸ Srikanth Kondapalli, "Maritime Silk Road: Increasing Chinese Inroads into the Maldives", Institute of Peace and Conflict Studies, 13 November 2014, available at http://www.ipcs.org/article/china/maritime-silk-road-increasing-chinese-inroads-into-the-maldives-4735.html, accessed on 25 February 2016.

³⁹ B. M. Jain, op. cit., p. 149.

⁴⁰ Ibid.

⁴¹ Sudha Ramachandran, "The China-Maldives Connection", *The Diplomat*, 25 January 2018, available at https://thediplomat.com/2018/01/the-china-maldives-connection/, accessed on 30 January 2018.

"Xinhua reported on 15 August 2014 that the link in this maritime route is via the Ihavandhippolhu Integrated Development Project, or iHavan, in the northern-most atoll of the Maldives. The project seeks to capitalise on the location of the atoll, which lies on the seven- degree channel through which the main East-West shipping routes connect Southeast Asia and China to the Middle East and Europe". Recently, the Maldives has concluded a Free Trade Agreement (FTA) with China. In South Asia, it became the second country to sign an FTA with China after Pakistan. The FTAs and the Belt and Road Initiative will improve China's role in the region.

There are also some challenges China is facing to intensify its relations with South Asia. First of all, there is mistrust between China and India. Although the relation between China and India has improved to a great extent, it is not yet satisfactory. Regional tension and instability, territorial disputes, political transition in the individual country may affect the cooperation process.

4. The US Engagements in South Asia

The US' South Asia policy has been shaped by its changing security concerns and geopolitical priorities over decades. The end of the Cold War embarked a new global political order in favour of the US. Different theses like Francis Fukuyama's 'End of History' came up which promoted the idea that the end of Cold War has brought an end to the mankind's ideological evolution.⁴⁵ He predicted that the idea of western liberal democracy has triumphed over other alternatives. Against this backdrop of a power vacuum in international relations after the collapse of Soviet Union, the US came forward to uphold a set of ideas like promotion of democracy, nuclear nonproliferation, economic liberalisation, prevention of drug trafficking and others. When South Asia was embroiled in a situation with these factors, the US took an interest in South Asia as a region. Prior to that period, the US lacked the rigour to actively engage in South Asia. The possession of nuclear weapons by the two key players in the region, India and Pakistan made the US take policies which can prevent both the nations to take any steps that would jeopardise the regional security and stability. Besides, the two nations should not transfer the nuclear technology to any third state or non-state actors. Prior to the attacks of 9/11, this was the principal aim of the US in the region specified in a report presented at the Congress in 2000, entitled 'A National Security Strategy for a New Century.'46

⁴² B. M. Jain, op. cit.

⁴³ Sudha Ramachandran, op. cit.

⁴⁴ Ibid

⁴⁵ Syed Ali Sarwar Naqvi, "The United States and South Asia", Margalla Papers 2010, available at http://www.ndu.edu.pk/issra/issra_pub/articles/margalla-paper/Margalla-Papers-2010/01-The-United-States-and-South-Asia.pdf, accessed on 15 February 2017.

⁴⁶ Ibid.



The 9/11 incident brought a drastic change in this equation of the US. The strategic focus of the US interests shifted to South Asia. In this respect, the US embarked upon a fresh start with India and concluded strategic partnership with it.⁴⁷ Besides, the growing political clout of China in the region and increasing importance of the Indian Ocean region compelled the US to take up its Asia Pivot policy. The new South Asia policy of the US under Trump Administration also reinforced the idea of US-India strategic partnership as a critical cornerstone and focused on Indian economic assistance in the improvement of Afghanistan situation.⁴⁸ This section attempts to examine the US interests and thereby its policies in the region. The nature of the US engagements with different countries in the region has varied over time, as did the level of US interest. While India and Pakistan have received the most attention from the US, it has also been engaging with Afghanistan, Bangladesh, Bhutan, the Maldives, Nepal and Sri Lanka.⁴⁹ The US approach to these countries is generally defined by circumstantial convenience.⁵⁰

The US and India have developed their relations significantly over decades. Their relations have evolved both in economic and security terms. The recent US strategy in the region of South Asia has marked a major departure from the past regarding India. India has been elevated to a more prominent position in the US' new South Asia policy. The Trump Administration made a great stride by calling the Asia Pacific region as Indo-Pacific.51 This has signalled a greater role and space for India in the region. The US has also termed India as a key actor in Afghanistan.⁵² In a recently released National Security Strategy of the US under President Trump, India is described as a 'leading global power'. The US also reinforced the idea of deepening the existing strategic partnership with India to maintain the stability across the Indo-Pacific region.⁵⁴ Bilateral trade was only US\$ 45 billion in 2006 but it reached US\$ 114 billion in 2016.Thus, trade has more than doubled in the last decade.55 The US is also supporting India's effort to get membership of the Asia-Pacific Economic Cooperation forum (APEC).⁵⁶ It is argued that India's joining of APEC would challenge the Chinese economic influence in the Asia-Pacific region. In terms of military cooperation, the US is selling military equipments to India. The amount of sale has piled significantly

⁴⁷ Ibid.

⁴⁸ Alyssa Ayres, "The Not-So-New "New" South Asia Strategy", 22 August 2017, available at https://www.cfr.org/blog/not-so-new-new-south-asia-strategy, accessed on 25 august 2017.

⁴⁹ Ibid.

⁵⁰ Ramtanu Maitra, "US Policy towards South Asia: Nary a Vision nor a Spark of Insight", AAKROSH: Asian Journal of Terrorism and Internal Conflicts, Vol. 18, No. 66, January 2015, p. 25.

⁵¹ "India-US relationship makes great strides in 2017", *The Indian Express*, 25 December 2017.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Evan Moore, "Strengthen the U.S.-India Relationship", *National Review*, 01 February 2018, available at https://www.nationalreview.com/2018/02/india-united-states-relations-trade-military-strategy-alliance/, accessed on 02 February 2018.

⁵⁶ Ibid.

from "zero to US\$ 15 billion in ten years". This has made them close defence partners. Thus, the US-India partnership has the potential to reshape the regional architecture by increasing the US engagements in the region.

Pakistan became an ally of the US during the early days of the Cold War. Pakistan was associated with the US through mutual security arrangements like Southeast Asia Treaty Organization (SEATO) and Central Treaty Organization (CENTO). Pakistan was the only Asian member of these security arrangements.⁵⁸ For decades, Pakistan was the centrepiece of any South Asia design of the US. In the post 9/11 security scenario, the US took Pakistan as a frontline strategic ally in its fight against international terrorism due to its strategic location and close geographical affinity with Afghanistan. After years of compliant partnership, the alliance started to fade when US Navy SEAL Operation killed Osama Bin Laden, the mastermind of the 9/11 incident, in Abbottabad, Pakistan. Its credibility as a frontline strategic partner in the Global War on Terror (GWoT) came into question after this raid. In addition to that, the US' extended relations with India are also making a political cost for Pakistan. It is clear that the US has chosen India as its most trustworthy partner in realising its strategic goals in the region. The years of India's efforts have finally succeeded. In recent years, Pakistan came in for bitter criticism from the US under Trump Administration for harbouring the terrorists and militants. Even the US has cancelled military aid to Pakistan in 2017. Thus, both the countries are facing a strained relationship. What Pakistan fears is that India will try to corner it with two following developments: India's good relations with Afghanistan and the US support for India. Afghanistan can offer a second base from which India can squeeze Pakistan.⁵⁹ Finally, the US pressure on Pakistan is likely to push Pakistan more towards China. Besides, the geopolitical realities suggest that the US cannot succeed in Afghanistan by only including India, excluding Pakistan.

The US has been engaged in Afghanistan since 2001. It has been fighting in Afghanistan for sixteen years. The initial focus of the US was to overthrow the Taliban regime and to eliminate the terrorists. Later, it shifted its focus to institution building and governance. Recently, Trump Administration has unveiled its path forward for Afghanistan and South Asia. Now, it has shifted its stance again from "nation-building to killing terrorists". The Trump Administration has reversed the US' previous position under Obama Administration to withdraw troops from Afghanistan. Rather, it declared that US troops will remain in Afghanistan as long as necessary. After sixteen years of fighting in Afghanistan, the region of South Asia and the US has undergone a lot of changes. Given the changing geopolitical realities and alignments, the bilateral narrative of relations has become more complex.

⁵⁷ Ibid.

⁵⁸ Mohammed Ayub Khan, "The Pakistan American Alliance", Foreign Affairs, January, 1964.

⁵⁹ Ayesha Tanzeem, "US-Pakistan Relations Worsen as Both Sides Dig in", Voice of America, 06 February 2018, available at https://www.voanews.com/a/us-pakistan-trying-to-figure-out-how-to-cooperate/4241418. html, accessed on 10 February 2018.



The US has a long-standing supportive relation with Bangladesh. It has viewed Bangladesh as a moderate voice in the Islamic world. Bangladesh's strategic location neighbouring the two Asian giants China and India as well as a bridge between South Asia and Southeast Asia makes her a significant player in the long term geostrategic calculation of the US.60 The diplomatic relations between Bangladesh and US was established on 18 May 1972.⁶¹ In the early 1990s, the relationship was based on aid and remittances. Later, the relationship was defined by trade and investment. Bangladesh is a growing market for American products and a significant destination for investment.⁶² The US is Bangladesh's largest export market. It is also one of the largest sources of FDI in Bangladesh.⁶³ For ensuring global security against terrorism and protecting the world trade process, the US has planned for extensive engagement with South Asian countries including Bangladesh.⁶⁴ The US and Bangladesh currently have three structured fora for dialogue including US-Bangladesh Dialogue on Security Issues, Bangladesh-US Partnership Dialogue, and US-Bangladesh Trade and Investment Cooperation Forum Agreement (TICFA).65 The US recognises Bangladesh as an important partner to counter terrorism. That is why, security dialogue between Bangladesh and the US has started since 2012 which mainly focuses on traditional and non-traditional security, cyber security, counter-terrorism, disaster management, maritime security, regional security, and peacekeeping.66These mechanisms will increase the role of US in Bangladesh and beyond.

Sri Lanka has emerged as a country of strategic relevance to the great powers interested in the dynamics of South Asia. Small powers around the Indian Ocean like Sri Lanka have the leverage to switch sides between the great powers. Domestic politics also plays a key role in this respect. Taking regional geopolitics into consideration, Sri Lanka has an Indo-Lanka Accord of 1987 by which Sri Lanka agreed that it would not allow any foreign militaries using its ports in a way that would be detrimental to Indian interests.⁶⁷ Traditionally, Sri Lanka's geopolitical realities demands that it cooperates with India. Sri Lanka also has a trilateral maritime security agreement with India and the

⁶⁰ Author's Interview with Ambassador Munshi Faiz Ahmed, Chairman, BIISS, 28 January 2017.

⁶¹ Jayasree Biswas, *US-Bangladesh Relations: A Study of the Political and Economic Development during 1971-*81, Calcutta: Cyma Printers, 1984, p. 6.

⁶² United States Chamber of Commerce, "The United States And Bangladesh: Toward The Future Policy Recommendations to Strengthen the U.S.-Bangladesh Commercial Relationship", United States, 2013.

⁶³ Bureau of South and Central Asian Affairs, US Department of State, *U.S. Relations with Bangladesh,* The United States, 10 February 2016.

⁶⁴ "Security Talks: Bangladesh, US Officials Sit in Dhaka", *The Daily Star*, 02 October 2016. ⁶⁵ *Ibid*.

⁶⁶ Delwar Hossain, "Bangladesh-US: Towards New Engagements?", Institute of Peace and Conflict Studies, 19 May 2014, available at http://www.ipcs.org/article/south-asia/bangladesh-us-towards-new-engagements-4446.html, accessed on 19 January 2017.

⁶⁷ Barana Waidyatilake and Dinusha Panditaratne, "President Trump: Implications for Sri Lanka", 15 February 2017, available at https://thediplomat.com/2017/02/president-trump-implications-for-sri-lanka/, accessed on 30 March 2017.

Maldives.⁶⁸ In the recent scenario with the change of Rajapaksa government, all the big projects funded by China in Sri Lanka are being reviewed. Besides, the US administration under President Trump considers India a 'Major Defence Partner'.⁶⁹ According to a report the President stated that he would not tolerate a "dual role from India's neighbours".⁷⁰ Given this context, Sri Lanka can increase its stake in the security dynamics of Indian Ocean Region by nurturing its relations with both India and the US.

The Maldives and the US are cooperating to promote and enhance maritime security, counterterrorism, law enforcement, and counternarcotics. Both the countries are also cooperating on the US efforts to combat terrorism and terrorist financing. The US naval vessels have frequently called at the Maldives in recent years. In the economic arena, the Maldives and the US signed a trade and investment framework agreement and held its first meeting in October 2014. The agreement provides a forum to examine ways to enhance bilateral trade and investment. The Maldives is also a beneficiary country under the Generalized System of Preferences (GSP) programme. GSP provides an incentive to export selected items duty-free to the US market.⁷¹ Thus, engaged in different level of cooperation, the US and Maldives are cementing their bilateral ties.

The US engagement with Nepal and Bhutan is defined by its circumstantial convenience. The US established official relations with Nepal in 1947. Relations between the two countries have always been friendly.⁷² Bhutan and the US also maintain warm and informal relations.⁷³

5. China and the US in South Asia: Cooperation or Confrontation?

South Asia is standing at the critical juncture of a rising Asia. The new vitality of South Asia is due to its rapid but steady economic growth, its usage as a maritime transit route, its young nations, the opening of more and more markets to FDI etc. The region has become a hotbed of competition for the major powers in the global political context. The US and China have their own levels of engagements with South Asia based on their politico-strategic perceptions about the region. Now the question is whether the interests of China and the US in South Asia will lead to cooperation or confrontation. This question is generating considerable debate. Contrary views have

⁶⁸ Ibid.

⁶⁹ bid.

⁷⁰ bid.

⁷¹ Bureau of South and Central Asian Affairs, US Department of State, *U.S. Relations with Maldives,* The United States, 06 April 2016.

⁷² Bureau of South and Central Asian Affairs, US Department of State, *U.S. Relations with Bhutan*, The United States, 07 July 2016.

⁷³ Bureau of South and Central Asian Affairs, US Department of State, *U.S. Relations with Nepal*, The United States, 10 April 2016.



been heard. Some see the engagements of the US and China with South Asia as a potential source of confrontation; others see this as a source of cooperation.

Some scholars argue that China and the US will cooperate in terms of engagements with South Asia. Some arguments can be put forth: First, China's behaviour pattern does not fit into its so-called revisionist nature. China's South Asia policy does not demonstrate that China wants to reshape the South Asian regional setting. Its regional actions and policy do not suggest directly that it has the ambition to achieve regional hegemony by thwarting the Indo-US dominance in the region. Besides, China has always been refuting the idea that it will pose a security threat to its neighbourhood. The general perception is that a rising power will try to alter the status quo. It is not important that all the rising powers will behave in the same way. There can be different options for expressing disappointment with the existing mechanism. It is true that China appeared as a country with the aim of changing the global political landscape in the 1950s and the 1960s, but that cannot be the basis of believing China as a revolutionary power which will disregard the present world order. In fact, China can be considered a power which is interested to get its share of world power and recognition by making important changes in the present system. Second, China's actions are being portrayed by some scholars as its development needs. China has built convenient relationships with countries both its near and distant ones to secure energy, metals and strategic minerals.⁷⁴ China has built and very well maintained its relations with Africa "throughout the Indian Ocean and South China Sea which connect the hydro-carbon rich Arab-Persian world to the Chinese seaboard".⁷⁵ China's attempts to secure its economic needs have engendered China's expanding influence from Central Asia to the South China Sea, from the Russian Far East to the Indian Ocean.⁷⁶ In this process, Robert D. Kaplan termed China as an 'uber-realist power'. Thus, China has been reinforcing its relations with various South Asian countries like Bangladesh, Pakistan, Sri Lanka, Nepal, Afghanistan and the Maldives by incorporating them into BRI with the focus of increasing transport connectivity. The initiative aims at building trade and infrastructure network and ensuring access to trade and energy passage. Thus, actions driven by development needs are real in this context. Third, China and the US have shared interests which will engage them constructively. The realist optimist school argues that there may be a variety of other factors ranging from nuclear deterrence to climate issue and others which will help keep the mutual relations involved with each other in a constructive way. The possession of nuclear weapons by both superpowers acted as the strongest deterrent. Similarly, the mutual possession of nuclear weapons by both China and the US will act as a buffer against an all-out war. It will also put a bar on limited war and crisis situation. They will try

⁷⁴ Robert D. Kaplan, "The Geography of Chinese Power", Foreign Affairs, Vol. 89, No. 3, 2010.

⁷⁵ Ibid.

⁷⁶ Ibid.

⁷⁷Ibid.

to lie low and avoid tension or confrontations with each other. In a China-US joint statement issued in 2009, the two countries said,

"The two sides welcomed all efforts conducive to peace, stability and development in South Asia. They support the efforts of Afghanistan and Pakistan to fight terrorism, maintain domestic stability and achieve sustainable economic and social development, and support the improvement and growth of relations between India and Pakistan. The two sides are ready to strengthen communication, dialogue and cooperation on issues related to South Asia and work together to promote peace, stability and development in that region." ⁸

Fourth, high level of economic interdependence exists between China and the US. In terms of economic engagements, the two countries share a common interest in avoiding conflict so that trade and investment flow without any abrupt event. The market reform in China in the 1970s has opened up a new vista of economic exchanges between the two countries. Later, with China's membership in WTO in 2001, trade volume increased between China and the US.79 At present, trade between China and the US crosses more than US\$ 200 billion annually.80 Although the practices of the balance of power and strategic hedging exist between them, it is also undeniable that their economies are intertwined. This can mitigate the future likelihood of any conflict.⁸¹ International relations scholars have long portrayed the economic engagements between these two countries in different ways. Economist Moritz Schularick and Niall Ferguson coined the word Chimerica in 2007. Chimerica is the combination of "China's export led development with US over consumption". In this way, they attempted to describe the symbiotic relationship between China and the US.82 Prominent Chinese scholar, Niu Jun characterises this US-China relation as "competitive interdependence". According to him, although the two countries have competition, they are constrained by their economically interdependent relationship.83 Thus, China has earned such a status in the world economy that it cannot be overlooked. Its dynamic economic trait has made it one of the principal trading partners of many countries ranging from China's neighbours to many western countries. Therefore, a real tension between China and the US can bring a catastrophe to the world economy with dire consequence for all.84 Thus, interdependent economic relations between China and the US can serve as a powerful deterrent to conflict in South Asia as well as in other regions. Finally, international institutions can help to improve communication between states. They usually bind the

⁷⁸ Brian Montopoli, "In Full: US-China Joint Statement", 17 November 2009, CBS News, available at https://www.cbsnews.com/news/in-full-us-china-joint-statement/, accessed on 09 May 2007.

⁷⁹ Aaron L. Friedberg, "The Future of U.S.-China Relations", International Security, Vol. 30, No. 2, 2005, p. 18.

⁸⁰ Henry A. Kissinger, "The Future of U.S.-Chinese Relations", Foreign Affairs, Vol. 91, No. 2, 2012.

⁸¹ Minxin Pei, "How America and China See Each Other And Why They Are on a Collision Course", Foreign Affairs, Vol. 93, No. 2, 2014, p. 143.

⁸² Niall Ferguson, 'Chimerica' and the Rule of Central Bankers', The Wall Street Journal, 27 August 2015.

⁸³ Dingding Chen, "Cooperation is the Only Way Ahead for US-China Relations", *The Diplomat*, 10 March 2016.

⁸⁴ Henry A. Kissinger, op. cit., p. 52.



states to commitments to each other. A state commits to partnership with other states in these international fora. These fora usually help a state to reduce uncertainty about other states and create right perceptions. In this chaotic and anarchic world, international institutions can act as a source of order. In terms of regional organisations of South Asia, the US and China are two observer states of SAARC. Here, these two observers can engage in mutually beneficial cooperation. Emerging challenges to South Asian regional order require cooperation from both China and the US. South Asian countries can recline towards either China or the US based on their individual national interests, it is in the best interest of all that South Asia offers a stable environment for China-US cooperation.

On the contrary, some argue that China and the US will confront each other in coming decades. First, history shows that rising powers have tended to become troublemakers with regard to their established counterparts.88Often rising powers express their dissatisfaction with the existing order and try to alter it. In the process of getting their due share of world power, they often involve in clashes with the dominant powers. According to a prominent realist scholar John J. Mearsheimer, the mightiest states intend to create hegemony in their region. They also try to make sure that no rival power grows dominance in another region.⁸⁹ Based on this argument, it can be said that China will try to dominate Asia as a whole as its region of influence. In this process, China will also try to establish its dominance in South Asia. China is already making inroads in South Asia by enhancing engagements with the regional countries. Most of the countries in South Asia have joined China's BRI. This Chinese attempt is being observed by the US with caution. In this respect, Mearsheimer predicted that a powerful China will not accept the presence of the US on its doorsteps. On the other hand, the US "does not tolerate peer competitors". It will try to weaken China so that China could not become a regional hegemon. Condoleezza Rice wrote in a Foreign Affairs article that China was not a status quo power and as it rises it will try to "alter Asia's strategic balance in its own favour."90 Similarly, Henry A. Kissinger wrote that when the present world order cannot serve China's interest and suit its increasing status, China will likely set up alternative arrangements. China's Asian Infrastructure Investment Bank (AIIB) is worth mentioning here. The establishment of AIIB to finance infrastructure project in Asia is seen by many as a rival to the West-led World Bank.

⁸⁵ Niall Ferguson, op. cit.

⁸⁶ SAARC, "Cooperation with Observers", Kathmandu, Nepal, 2009, available at http://saarc-sec.org/Cooperation-with-Observers/13/, accessed on 01 March 2017.

⁸⁷ David Shambaugh, "Asia in Transition: The Evolving Regional Order", *Current History*, Vol. 105, No. 690, April 2006.

⁸⁸ Aaron L. Friedberg, op. cit.

⁸⁹ John J. Mearsheimer, "China's Unpeaceful Rise", Current History, Vol. 105, No. 690, 2006.

⁹⁰ Shehzad H. Qazi, "United States attempt to Balance the Rise of China in Asia", IPRI Journal, Vol. 9, No. 2, 2009, p. 32.

Second, once the rising powers achieve economic supremacy, their ambition to thwart the existing order come to fore. Political ambition comes after getting significant economic development. Economic might engines rising powers' political will to lead the world. In the past, nations who experienced remarkable economic development led adventures to expand their kingdom. As Samuel P. Huntington argued, "The external expansion of the UK and France, Germany and Japan, the Soviet Union and the United States coincided with phases of intense industrialisation and economic development."91 He predicts that China too will "undoubtedly be moving into such a phase in the coming decades.⁹² Since China has become the largest trading partner of most of the South Asian countries, this can raise China's political ambition in the region. In order to tackle these rising concerns, China has developed a catchphrase "Peaceful Rise". China has assured the international community again and again that China is having peaceful rise with no politico-strategic goal to overthrow the international system. It has been touting the concept that it does not seek hegemony. Still, the scholars differ in their opinions. According to John J. Mearsheimer, China's rise cannot be peaceful.⁹³ For him, China's economic might will propel its security competition with the US.94

Third, western perceptions of China play a role in potential China-US rivalry. The western literature has long portrayed China with skepticism. The English geographer Sir Halford Mackinder in his *Democratic Ideals and Reality* feared that China would guide the world by "building for a quarter of humanity a new civilisation neither quite Eastern nor quite Western." China's national objective has been reduced by the former US Secretary of State and National Security Adviser Henry A. Kissinger to merely replacing the US as the preeminent power. For him, China wants to consolidate Asia as an exclusionary block subject to its economic and foreign policy interests. He further predicted that a China-centric Asian bloc can dominate the world. These assessments can facilitate China-US rivalry anywhere in world.

Finally, a growing clash of interest between China and the US will make the relationship more competitive and tense. The conflicting interests of the US and China in South Asia will likely build strategic formation in the region.⁹⁷ It appears that India and the US have teamed up on the one hand, on the other hand there remains China-Pakistan alliance. The US has security arrangements with India. It sees India as its South Asian partner which will play a key role in maintaining the region stable. In other words, the US wants to have a grip on growing Chinese clout in the region which has an important repercussion on Pakistan too. In this context, the strategic environment of

⁹¹ Samuel P. Huntington, "America's Changing Strategic Interests", Survival, Vol. 33, No. 1, 1991, p. 12.

⁹² Ibid.

⁹³ John J. Mearsheimer, op. cit.

⁹⁴ Ibid.

⁹⁵ Robert D. Kaplan, op. cit.

⁹⁶ Henry A. Kissinger, op. cit.

⁹⁷ Shamil Shams, "Why US-China Rivalry is Unsettling South Asia", available at http://www.dw.com/en/why-us-china-rivalry-is-unsettling-south-asia/a-19516733, accessed on 17 February 2017.



South Asia demands another important power relation to reinvigorate. Thus, Pakistan is also fostering its relations with its long-time ally China. China-Pakistan cooperation is expanding in all possible arenas keeping the Indo-US security cooperation in mind. China is building CPEC in Pakistan to get access to the Arabian Sea bypassing the Strait of Malacca. The US is also heavily investing in India as a natural counterweight to Pakistan. India-Pakistan relations are also standing at their worst, given the great powers' sponsorship. Afghanistan is the worst victim of India-Pakistan rivalry. Other regional countries will only adjust to the changing geopolitics. These formations can plunge the region into conflicting situation.

In brief, it can be said in line with the above discussion that both China and the US are important actors in global politics. Like other great powers, their interests are bound to conflict with each other. They are not likely to converge. It is concerning for the US as the once lone superpower that a rising power like China is increasing its weight in its neighbourhood and beyond, including South Asia. The US is applying both the policy of engagement and balancing. It is engaging with China through trade and diplomacy, on the one hand while on the other hand, it is attempting in every possible means to counter China's weight in international politics. Similarly, China will continue to bolster its presence by partnering with different countries across the region to achieve its strategic interest. China will try to appear as a useful actor of the international system who obeys the general international rules and regulations like others. At the same time, it will quietly strengthen itself through economic development domestically and increase its politico-strategic clout externally. It is true indeed that "Great powers do not just mind their own business". 98 In conclusion, China and the US are experiencing such a phase which does not allow both of them to simply deny and ignore each other. They both will have to tolerate each other as enduring realities. In their attempts to maximise their shares of world power, they will compete with each other in different regions as well as in South Asia. Though a full-scale war is a remote possibility for China and the US, the level of cooperation between these two powers is also limited. Their competition will wax and wane. But once the competition gets intense, there is always a chance of confrontation.

6. Conclusion

South Asia is undergoing dramatic economic and geopolitical developments. Against this backdrop, all the major powers are interested to ensure their stakes in the region. The strongest contenders for creating a sphere of influence in the region are China and the US. China has gradually boosted its relations with the South Asian countries. The 20th century marked a major shift in China's relations with South Asia. Since then, South Asia and China have been experiencing unprecedented engagements in all sectors. Previously, South Asia did not loom large in China's foreign policy. The status of South Asia for China

⁹⁸ Condoleezza Rice, "Campaign 2000: Promoting the National Interest", Foreign Affairs, Vol. 79, No. 1, 2000.

was reduced to a mere ground of Cold War in which superpowers' rivalry was shifted to the regional level. For China, the significant events of South Asia during the Cold War were China-Pakistan entente and China-India rivalry.

The end of Cold War brought a fundamental change in global politics. As the bipolar competition ended, a new beginning of a new world order came up with different facets of politics and security. China took the opportunity to increase its stake in the new international setting. It aimed to improve its room for manoeuver in bilateral engagements with different countries across the world. Similarly, China built up multi-lateral cooperative exchanges with the South Asian countries. Broadly, Chinese activities in South Asian regional dimension suggest that China wants to increase its strategic footprint in the region by using the tool of transport connectivity throughout the region. At present, China imports energy resources which are a fundamental element for China's development. Majority of its imports are carried via the Strait of Malacca in the Indian Ocean. The US or India can cut China's access to the Indian Ocean any time as they better control the Ocean with their naval presence. Thus, China wants to enhance its strategic presence in the Indian Ocean. Cultivating relations with South Asian countries through different mechanisms will give China a chance to secure its development needs as well as increase its strategic presence in South Asia. Therefore, China is upgrading its ties with the regional countries. On the other hand, the importance of South Asia has increased over time to the US. The issue of nuclear non-proliferation, drug trafficking, promotion of democracy diverted the US attention towards South Asia after the end of Cold War.

The event of 9/11 shook the foundation of the US policy in South Asia as the perpetrators of the event took shelter in the region. The tragic event of 9/11 triggered the GWoT which was mainly waged in Afghanistan and it also helped concluding the US strategic partnership with India. In addition, China's growing political and diplomatic clout in Asia, as well as South Asia, has driven the US attention toward the region. The US wants to curb the Chinese influence in the region. Since China and the US have their respective interests in the region, their actions and involvements in the region can bring about either cooperation or confrontation. It is expected that both will compete with each other in the region. Although the chance of an all-out war is slim in the foreseeable future, there is always an option on the table that they will confront with each other in the regional dimension once their competition gets intense.