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SOUTH ASIA'S GEOPOLITICAL LANDSCAPE IN A TRANSFORMATIVE WORLD

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As an academic and political vision, South Asia as a distinct conceptual construct acquired currency only after the decolonization of British India in 1947. In the geopolitical sense, it was in the context of the Cold War that South Asia came to figure in the overall matrix of the strategic deliberations of our times. Significantly, the birth of South Asia was primarily driven by external factors rather than developments from within the region. For a long time, South Asia remained synonym for India-Pakistan rivalry and the issues emerging from it. However, in recent years various developments at the global, regional and national levels have sparked a change in the South Asian geopolitical landscape. Nothing has had a more profound impact on South Asia than the rise of an increasingly aggressive China. Undoubtedly, this has serious implications for India. Consequently, India has sought to reorient its priorities and relationships and, in the process, has awakened to the realization of the importance of establishing its own footprint in the larger subcontinent. In the changed eco-system of the subcontinent, India-China rivalry has come to overlie traditional bilateral conflicts between India and its neighbours. As a result, new forms of regional and sub-regional initiatives, — bilateral formats, trilateral and quadri-lateral formats of engagements— have become a reality. The geopolitical restructuring of South Asia presents both opportunities and challenges for the countries in the region. The paper will highlight some of the recent geo-political developments in the South Asian strategic landscape and India's response to it.

Keywords: South Asia, Geopolitics, India, China, Connectivity projects

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ГЕОПОЛИТИЧЕСКИЙ ЛАНДШАФТ ЮЖНОЙ АЗИИ В МЕНЯЮЩЕМСЯ МИРЕ

Арчана Упадхьяй

С научной и политической точки зрения Южная Азия как специфический концептуальный конструкт возникла только после деколонизации Британской Индии в 1947 г. В геополитическом смысле, именно в контексте Холодной войны Южная Азия стала фигурировать в общей матрице стратегических рассуждений нашего времени. Важно, что рождение Южной Азии изначально было обусловлено не столько внутренним развитием региона, сколько внешними факторами. Долгое время Южная Азия оставалась синонимом индо-пакистанского соперничества и связанных с ним проблем. Вместе с тем в последние годы различные процессы на региональном и глобальном уровнях привели к изменению

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в южноазиатском геополитическом ландшафте. Ничто не оказало такого сильного воздействия на Южную Азию, как подъем Китая, и это, несомненно, имеет для Индии серьезные последствия. В результате Индия была вынуждена реориентировать свои приоритеты и отношения, осознав необходимость и важность оставить свой след на огромном субконтиненте. В изменившейся экосистеме субконтинента индийско-китайское соперничество заслонило традиционные конфликты Индии с соседями. В результате новые формы региональных и субрегиональных инициатив — двусторонние, трехсторонние и четырехсторонние — стали реальностью. Геополитическое реструктурирование Южной Азии чревато как возможностями, так и вызовами для стран региона. Статья рассматривает некоторые современные геополитические процессы в южноазиатском стратегическом ландшафте и реакцию на них Индии.

Ключевые слова: Южная Азия, геополитика, Индия, Китай, логистические проекты

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INTRODUCTION

As a distinct conceptual construct and as an academic vision, 'South Asia' came into usage after the decolonization of the Indian sub-continent in 1949. The concept acquired greater currency, more as a geo-political expression, during the cold war period. Prior to 1947, other expressions and notions were used to define the Indian subcontinent. Ancient Greek and Latin scholars used the term 'India' to describe this part of the world and the Persians used the expression Hindustan [Ojha, 2014, p. 1]. Sanskrit texts from the subcontinent, such as the Puranas have used the term 'Bharat' but more in the sense of a social order and not so much as to denote territory or a political order. Much later, towards the 19th and the 20th centuries that the term 'Bharat' acquired ethnic and territorial connotations and around the time of independence besides 'Bharat', other names such as 'India', 'Al-Hind and 'Hindustan' were used interchangeably to designate the subcontinent [Ibid, p. 2, 4]. The political notion of South Asia, as comprehended in contemporary times was largely driven by external factors and had less to do with internal developments. A distinguishing factor of South Asia is its transnational character and this gets amply reflected in the shared common heritage of the region. This qualifies the region more as a 'civilizational entity' rather than a political construct. It is noteworthy that there are scholars who have argued that South Asia should be seen and comprehended more as a 'sensitivity' rather than a geographical entity [Dixit, 2013, p. 34]. Ever since the decolonization of British India, South Asia remained synonym for India–Pakistan rivalry and the issues emerging from it. However, in recent years various developments at the global, regional and national levels have sparked a change in the South Asian geopolitical landscape. Nothing has had a more profound impact on South Asia than the rise of an increasingly expansionist China. Undoubtedly, this has serious implications for India. Consequently, India has sought to reorient its priorities and relationships and, in the process, has awakened to the realization of the importance of establishing its own footprint in the larger subcontinent and beyond. In the changed eco-system of the subcontinent, India-China rivalry has come to overshadow traditional bilateral conflicts between India and its other neighbours. As a result, new forms of regional and sub-regional initiatives — bilateral formats, trilateral and quadrilateral formats of engagements — have come to define the South Asian geopolitical landscape. The geopolitical restructuring of South Asia harbours both opportunities and challenges for the countries in the region. The paper will dwell upon the key geo-political developments in the South Asian strategic landscape and India's response to the emerging challenges.

SOUTH ASIAN GEOPOLITICS

The geopolitics of South Asia is an outcome of both its international context and domestic politics. Geography has also played a defining role in shaping the contours of South Asian geopolitics. The region has bounded geography towards the North, where the Himalayan mountain range marks a distinct geographical, cultural and political boundary between the north and south of the mountainous divide. Towards its eastern, western and southern expanse, whether through Afghanistan, Iran, Myanmar or the Indian Ocean, the South Asian subcontinent has been open to all kinds of influences. Consequently, the history of South Asia, for centuries together has been characterised by movement of people and extensive commerce and economic contacts with regions far beyond. South Asia has also been open through the Indian Ocean, which is far from being a closed or a landlocked ocean. Geography thus has ensured that throughout history, South Asia has remained an autonomous strategic unit while simultaneously remaining connected to the regions beyond such as the Persian Gulf, Central Asia, Southeast Asia and East Asia. The prosperity of the region has been historically linked to these extensive contacts both through the land and sea.

Contemporary South Asia is composed of old nations in new states, with porous borders where nationalism is still a work in progress and where every boundary has cross-border ethnicities. Each country in the region has cross-border, religious and cultural affinities across state boundaries. Though the state boundaries may have been recently defined, the ethnicities, religions and culture go back to ancient times. These factors have made the boundaries contested and at times unenforceable in practice. The situation gets compounded by expanding economic interests, by the introduction of new technologies and a host of internal and external factors. Evidently, state formation in South Asia has not been without challenges. Attempts to create modern states in ancient nations has resulted in a mismatch between geographical boundaries and social boundaries and hence state craft in South Asia eludes the notion of hard sovereignty with precise boundaries. Within the region, transition to the Westphalian state system remains at various levels. While some traditional polities such as India, Nepal, Sri Lanka, Myanmar and China have made the transition, others like Tibet have yet to make. New states have also been carved in the region. The examples being Pakistan and Bangladesh. The frontiers of the sub-continent have therefore constantly responded to the political, economic and ecological circumstances at different historical junctures. The legacy that India inherited from the British Raj was that of soft frontiers and not a model of clearly defined hard boundaries. Significantly, the British strategically maintained protectorates and buffer states such as Persia, Afghanistan, Tibet, Siam to secure British India from imperial adversaries [Menon 2021].

Coming to the modern political evolution of the South Asian sub-continent two phenomenon particularly stand out. The first is its occupation by external powers. In this context it is important to note that buffer areas bordering South Asia such as Afghanistan and Tibet have been occupied by one or another great power — first by the Soviet Union and then by China. The second is the history of partitions. Not just the partition of India and Pakistan, which by implications meant the partition of Punjab and Bengal province but also Assam and its borderlands with Burma or the present-day Myanmar. There was nothing organic about the partition between India and Burma. Colonial boundaries marginalized the indigenous communities resulting in fault lines that became permanent sources of political friction and territorial conflict in the years to come [Ispahani, 1989, Chapter 5]. On the other hand, the doctrine of 'buffer zones' prevented the evolution of Tibet and Afghanistan into modern states. The pursuit of clearly defined boundaries at the cost of community land ownership and livelihood issues have thus become the source of permanent conflict, violence and immense human suffering both

within and between states in the region. The case of Assam in North East India, particularly stands out. First, it was the transfer of Sylhet district from Assam to East Pakistan in 1947 that led to its division. Then, in the 1960s and the 70s, new states of Nagaland, Meghalaya, Mizoram and Arunachal Pradesh were carved out of greater Assam in an attempt to address ethnic aspirations of the dominant groups. The North East India experience reveals that the partition of the region as a solution to address deep-rooted political, identity and developmental challenges, can result in fostering conditions of its own reproduction, that more often than not tends to manifest as violent separatist uprisings and movements [Guyot-Rechard, 2020]. North East India is replete with such examples.

Another very important aspect of South Asian geopolitics is the intertwined nature of its history with other prominent regions in its extended neighbourhood such as South-East Asia, Central Asia and West Asia. Insulating South Asia as distinct and separate from these regions tends to neglect the significance of the multiple linkages that has defined the history of South Asia for centuries.

PAKISTAN, CHINA FACTOR AND SOUTH ASIAN GEOPOLITICS

Turbulence has been the constant feature of South Asian geopolitics and the major determinant of the disquiet in the region has been the international context within which the key actors in the region operate and seek to develop and transform their societies. External powers have played no small a role in sullyng the strategic environment of the region, by pitting one nation against the other and as a consequence South Asia remains one of the least integrated regions in the world. Recent developments at the global, regional and national levels have triggered significant changes in South Asia that has resulted in compounding the geopolitical complexities of the region. These developments have revealed that global politics and world economy has become increasingly regional and economics and politics are no longer distinct spheres of operation. Rather politics seems to be driving economics. However, an important fact remains that the period after 1990 has been remarkable in the economic development of South Asia, the growth of its middle class and the integration of the region into the world economy. In the two decades of open trade and investment that followed the end of the Cold War, the South Asian economies have witnessed an acceleration of growth. Sri Lanka, Bhutan and Bangladesh experienced unprecedented growth rates and the entire region came to be regarded as the fastest growing economic region in the world. India, has steadily grown its GDP at over 6 percent a year for over three decades now. According to the World GDP Ranking 2023 list, India is now the world's fifth largest economy and the third largest in Purchasing Power Parity terms². India is also recognized as the fastest growing economy in the world³. In the post-pandemic world (where economies everywhere are crumbling), India's growth is projected to be anywhere between 6.5 to 7 per cent per annum.

There is another development that particularly stands out in the context of the politics of many of the states in the region. Ever since the 2008 global economic crisis, the world has witnessed the rise of what may be described as 'authoritarian centralizers', who draw their political capital from a heightened appeal to nationalism. This is a global trend and South Asian politics is no exception to this trend. A visible outcome of this drift towards centralizing authoritarianism has been the regionalization and fragmentation of global politics and its outcomes. This also implies that the capacity for compromises

² India may well be on track to becoming the world's third largest economy, *Business Today*, August 16, 2023. URL: <https://www.businesstoday.in/latest/economy/story/india-may-well-be-on-track-to-becoming-third-largest-economy-394327-2023-08-16> (accessed on 15.9.2023).

³ India Emerges as the Fastest Growing Country Among World's Top Five Economies in First Quarter of 2023, *India Times*, June 1, 2023 URL: <https://www.indiatimes.com/worth/news/india-fastest-growing-country-among-worlds-top-5-economies-604528.html#> (accessed on 15.9.2023).

and negotiations between powers is greatly diminished thereby making bridge building between competitive powers even more complex and challenging. This is particularly visible in the case of both India-Pakistan and India-China relationship. Both relationships have become highly unpredictable.

Concerning *India-Pakistan relations*, political communication between the two sides is minimal. The roots of the animosity can be traced to the partition of the subcontinent in 1947 and subsequent to that India and Pakistan choosing to follow different foreign policy paths. While India pursued a policy of 'non-alignment' to preserve its strategic autonomy, Pakistan opted to join military alliances of the Western bloc such as the South East Asia Treaty Organization and Central Treaty Organization [Pant and Shah, 2019]. Over the years, it has forged very close ties with China. The underlying causes of tensions with Pakistan are several: cross-border terrorism from Pakistan; Pakistan's quest for 'strategic parity' with India, Pakistan's role in the Afghan crisis and its attempt to seek strategic depth in Afghanistan at the cost of India. Many of these issues are rooted in Pakistan's internal politics and is unlikely to change in the predictable future. Troubled India-Pakistan relations is a geopolitical fact that impacts and will continue to affect the geopolitical choices of all other states in the region.

One of the most impactful factor in geopolitics of South Asia has been the rise of an aggressive China. China's emergence as the world's second largest economy has made it the largest trading partner for most South Asian countries. China's political and diplomatic imprint is visible in the economic, foreign and security policy trajectories of some of the smaller countries of South Asia. Even domestic politics in these countries have not remained untouched by the China factor. While China continues to portray its political, economic and military rise as 'peaceful', its special relationship with Pakistan and actions in the South China and East China Seas and the Indian ocean have triggered regional and global tensions [Ramola, 2022]. These developments have severely impacted India- China relations and has enveloped many regional and global domains. Its greatest fallout has been in the shared South Asian neighbourhood. The reasons are not difficult to comprehend. In the past few decades, as both India and China have grown, their understanding of their interests have also expanded. Consequently, they find themselves increasingly pitted against each other not just in the borders they share, that is the Southern Asian landmass but also in the archipelagic and mainland South-east Asia, in the Indian Ocean and in the seas near China such as the South China sea.

A significant driver of change in South Asia's political geography has been the string of infrastructure projects that has come up in the sub-continent. China has heavily invested in the infrastructural development of countries in India's immediate neighbourhood namely Pakistan, Sri Lanka, Nepal and Bangladesh. These projects have both economic and security implications. The largest and the most discussed connectivity project is China's Belt and Road Initiative (BRI). Pakistan, one of China's key strategic partners, has received a major share of investments, which is estimated to range between 46 and 100 billion US dollars [Small, 2020, p. 8]. In Sri Lanka, the Chinese infrastructural investment between the period 2006 and 2019 is estimated to be around 12.1 billion US dollars [Wignaraja, Panditaratne, Kannangara and Hundlania, 2020, p. 3]. It is under this mega BRI initiative that the construction and development of deep-sea ports such as the Gwadar port in Pakistan⁴, the Hambantota port in Sri Lanka⁵ and the border roads in Nepal and Myanmar have been undertaken [Paul, 2019, p. 52]. The China-Pakistan- Economic Corridor (CPEC), which is a vital part of the BRI connects the Western part of China to the Gwadar Port in Balochistan. This corridor gives China easy

⁴ Located on the Arabian sea, near Gwadar Balochistan, Gwadar port is a deep-sea port operated by China Overseas Port Holding Company and is a part of the CEPC.

⁵ In 2017, China has acquired the Hambantota port from Sri Lanka on a 99-year lease. The port was built by Chinese assistance. Following, India's strong protest, Sri Lanka has declared that the port will be used only for civilian purposes.

access to the Arabian sea. The fact that the CPEC runs through Pakistan Occupied Kashmir has led India to observe 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'⁶. India's statement on the CPEC clearly enunciates that 'No country can accept a project that ignores its core concerns on sovereignty and territorial integrity'⁷. The battle lines between the two countries are thus clearly drawn. In fact, the border clashes in Doklam⁸ and Galwan⁹ violates the spirit of the 2015 Joint Statement released in the aftermath of the Chinese President's visit to India which stated that 'peace and tranquility on the India-China border areas was recognized as an important guarantor for the development and continued growth of bilateral relations'¹⁰. The statement further said 'pending a final resolution of the boundary question, the two sides commit to implementing the existing agreements and continue to make efforts to maintain peace and tranquility in the border areas'¹¹.

It is hard to pinpoint as to what was the provocation for the Galwan Valley Chinese military aggression in 2020, that too in the midst of the global Covid crisis. There could be several reasons, varying from India's infrastructure building activities in its border areas to the deepening of its ties with the US. The changed status of the Jammu & Kashmir resulting in the creation of two separate Union territories on 5 August 2019 could also have been the trigger. Similarly, India's claims on the Aksai Chin¹² may have provoked China. The compulsions of domestic challenges especially in regard to China's handling of its Covid 19 pandemic coupled with its objective of both displaying and projecting its stance on issues of sovereignty may have prompted the misadventure. Whatever may have been the reasons, the messaging for India is very clear. Tactically China has signalled that given the asymmetry between its own and India's comprehensive national power, China has the capability to unilaterally decide and define its border with India. Strategically, China is positioning itself as a regional hegemony making India aware of its place in the power hierarchy in the region and that the 21st century far from being an Asian century will remain solely a Chinese century [Bambawale, 2021, Chapter 3]. Using the weight of its economic might, China has successfully expanded its relations with India's immediate neighbours namely Sri Lanka, Bangladesh, Nepal and Myanmar. Chinese projects in Pakistan, Bangladesh and Sri Lanka have given China strategic access points in India's neighbourhood, particularly in the Ocean surrounding India.

Under these circumstances, for India it cannot be business as usual with China. It is significant that trade with China in 2022 was at 136 billion US dollars¹³. China makes approximately 50 billion US dollars each year through its trade surplus with India. The costs of military misadventure for China has to be raised and India has initiated steps towards this end. The first major step would be to reduce the huge economic asymmetry between the two countries and the key to which is the expansion of

⁶ Ministry of External Affairs, Official Spokesman's response to a query on participation of India in OBOR/BRI Forum, New Delhi, 13 May 2017, URL: <https://www.mea.gov.in>.

⁷ Ibid.

⁸ URL: <https://www.orfonline.org/expert-speak/the-doklam-crisis-ends-a-diplomatic-victory-for-india> (accessed on 10.9.2023).

⁹ Galwan Valley: A Year After the Violent Clash, *The Indian Express*, June 14, 2021 URL: <https://indianexpress.com/article/india/galwan-valley-clash-timeline-india-china-disengagement-7358554/> (accessed on 10.9.2023).

¹⁰ Joint statement between India and China during Prime Minister's visit to China, May 15, 2015, URL: <https://www.mea.gov.in> (accessed on 10.9.2023).

¹¹ Ibid.

¹² Aksai Chin is a 14,700 square miles disputed territory located at the crossroads between India and China. The territory is held by China but historically claimed by India.

¹³ *The Times of India*, January 14, 2023 URL: <https://timesofindia.indiatimes.com/business/india-business/indias-trade-deficit-with-china-hits-100bn-for-first-time/articleshow/96979850.cms> (accessed on 10.9.2023).

the Indian manufacturing base. The Indian economy will also have to grow at 7–8 per cent per annum. As regard to the neighbourhood, India has adopted a series of initiatives framed around concepts of 'non-reciprocity' and 'asymmetrical responsibilities' in the spirit of its 'neighbourhood first policy' [Hazarika and Mishra, 2016, p. 144–155].

However, in regard to China, it is the duality of cooperation and competition that defines India-China ties. There have been three 'informal summits' between the top most leaders of the two countries — Prime Minister Modi and President Xi¹⁴. The outcome of these high-profile summits remains unclear [Joshi, 2019]. China continues to be one of India's largest trading partner, second only to the US¹⁵.

INDIA'S FOREIGN POLICY CHALLENGES

Faced with multiple foreign policy challenges, India has sought to reorient its priorities and relationships. The fundamental strategic reality that India has to deal with is the aggressive rise of China, a country with which India shares a 2,200 mile disputed border. In view of this the foremost foreign policy objective of India is to promote a stable balance of power in Asia through the deepening of enduring partnerships with states on China's periphery. This implies deeper and sustainable engagement with continental Eurasia, maritime South East Asia and the Russian Far East. Another important priority is to strive for the creation of a reformed geoeconomics system of trade and investment. This would also entail ensuring sufficient safeguards for domestic modernisation and industrialisation goals. Promotion of plural financial and digital systems to check monopolisation by any single national authority or entity, is another objective that India has been proactively promoting. And most importantly at a normative level, India has been advocating a multi-civilisational world order that embraces the idea of diversity and multipolarism globally and regionally. On several occasions in recent times and in different forums, India has made it clear that a multipolar world also means a multipolar Asia. India therefore has begun to look beyond its traditional neighbourhood. Outreach towards Southeast Asia, Central Asia as well as the wider Indo-Pacific underscores the renewed importance that India is giving to Asia as it seeks to enlarge its foot print in the entire region. Leveraging market shares, production capacities and resources, drives India's engagement policy both within and beyond South Asia.

India today is the most populous country in the world with a population of over 1.4 billion¹⁶. It is the fifth largest global economy and is all set to become the third largest economy in a few years from now [Economic Times, July 27, 2023]. However, India's greater influence comes from the power of ideas and initiatives, whether it is climate action or counter-terrorism, connectivity or maritime security, financial inclusion or food security. As evident from the recently concluded G20 event in New Delhi (between 8–9 September 2023), India has actively shaped discussions and outcomes. India is being widely perceived as a responsible development partner, a first responder to global crisis and a powerful voice of the Global South. Each of these aspects reflects a quest towards becoming a leading power. However, the fact remains that India's rise is taking place in a very volatile and uncertain world. The turbulence of the contemporary times will not only have to be managed, but where possible even leveraged in the best possible way. Indian diplomacy has responded through optimal positioning vis-a-vis the major power centres in the world

¹⁴ Two informal Summit meetings took place between Prime Minister Modi and President XI at Wuhan in April 2018 and Chennai in October 2019.

¹⁵ *Business Today*, April 16, 2023, URL: <https://www.businesstoday.in/latest/in-focus/story/us-emerges-as-indias-biggest-trading-partner-in-fy23-at-12855-billion-377549-2023-04-16> (accessed on 10.9.2023).

¹⁶ UN DESA Policy Brief No 153: India takes over China as the world's most populous country, 24 April 2023, URL: <https://www.un.org/development/desa/dpad/publication/un-desa-policy-brief-no-153-india-overtakes-china-as-the-worlds-most-populous-country/> (accessed on 15.9.2023).

through the active pursuit of interests and values through its well-crafted policy of multi-alignment. This is visible in its distinct approaches such as its 'Neighbourhood First policy', the SAGAR mechanisms¹⁷ like Quadrilateral Security Dialogue (QUAD)¹⁸ and the 12U2¹⁹ and also through initiatives such as the International Solar Alliance (ISA)²⁰. When it comes to connectivity projects the International North South Transport Corridor (INSTC) which envisions a ship, road and rail route connecting India, Iran and Russia along the Chabahar port in Iran²¹ have been two of India's mega connectivity projects going beyond its extended neighbourhood. For India, the INSTC provides a shorter trade route with Iran, Russia²² and beyond to Europe — it has the potential to expand up to the Baltic, Nordic and Arctic region. In fact, it is believed that the INSTC could be the key to India's 'Connect Central Asia' policy with trade and connectivity being central to the endeavour²³. This corridor gives India the advantage of bypassing Pakistan in realising direct access to Afghanistan and the Central Asian states. The corridor connects Russia to India through the Central Asian countries of Kazakhstan, Uzbekistan and Turkmenistan. India has proposed the inclusion of the India-invested Chabahar Port²⁴ in Iran within the scope of the INSTC. Similarly, the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC) has received a push for revival from India, seeking to promote economic and other forms of connectivity in the Bay of Bengal region²⁵. India's connectivity diplomacy got a major boost in the recently concluded G20 New Delhi Summit, where a new economic corridor, the India-Middle East-Europe Economic Corridor (IMEC) was envisioned. An MoU has been signed between India, the US, UAE, Saudi Arabia, France, Germany, Italy and the European Union to take this initiative forward. Given that the signatories of the IMEC represent nearly half of the global economy and 40 percent of the world's population, the project has the potential to have far reaching global economic implications by setting new standards in infrastructure financing and development²⁶.

¹⁷ SAGAR stands for 'Security and Growth for All in Region, and is an expression used by the Government of India for India's vision and framework for Maritime cooperation in the Indian Ocean.

¹⁸ QUAD is a strategic security dialogue between Australia, India, Japan and United States primarily aimed at creating a free, open and inclusive Indo-Pacific.

¹⁹ The 12U2 Group includes India, Israel, the United Arab Emirates and the United States. This grouping aims at launching collaborative initiatives in water, energy, transportation, space, health and food security.

²⁰ The ISA was conceived as a joint effort by India and France in the year 2015 to mobilise efforts against climate change through deployment of solar energy. 120 countries are signatory to this alliance.

²¹ Situated on the Makran coast, the Chabahar Port is the only Iranian port on Indian Ocean. India, Afghanistan and Iran stand to gain immensely from the port. Chabahar opens untapped opportunities for India by becoming a conduit to overland trade corridors linking India to resource rich Central Asia and European markets. *7 Reasons Why Iran's Chabahar Port is Crucial to India*, URL: <https://www.indiatoday.in/fyi/story/chabahar-port-iran-importance-to-india-pakistan-afghanistan-1028342-2017-08-07> (accessed on 5.5.2023).

²² It is aimed at reducing the carriage cost between India and Russia by about 30 percent and bringing down transit time by more than half. Access to the EAEU alone will open India to a market of 173 million people. With the linking of the Chabahar Port with INSTC, India's trade with the Eurasian region has the potential to growing to a staggering \$ 170 billion.

²³ In January 2022, the first India-Central Asia Summit was hosted in New Delhi to mark 30 yrs of diplomatic ties. Attended by the 5 presidents of the Central Asian states, the Summit deliberated upon connectivity and trade collaboration, URL: <https://pib.gov.in/PressReleasePage.aspx?PRID=1793068> (accessed on 10.4.2023).

²⁴ Situated on the Makran coast, the Chabahar Port is the only Iranian port on Indian Ocean. India, Afghanistan and Iran stand to gain immensely from the port. Chabahar opens untapped opportunities for India by becoming a conduit to overland trade corridors linking India to resource rich Central Asia and European markets. *7 Reasons Why Iran's Chabahar Port is Crucial to India*, URL: <https://www.indiatoday.in/fyi/story/chabahar-port-iran-importance-to-india-pakistan-afghanistan-1028342-2017-08-07> (accessed on 15.08.2023).

²⁵ BIMSTEC is an economic and technical initiative that brings together countries of the Bay of Bengal for multifaceted cooperation. It is an organization of 7 South Asian and South East Asian countries together having population of 1.73 billion people. Thailand: BIMSTEC meeting begins in Bangkok, URL: <https://www.aninews.in/news/world/asia/thailand-bimstec-meeting-begins-in-bangkok20230717082459/> (accessed on 10.9.2023).

²⁶ *The Herald*, 15 September 2023. URL <https://www.herald.co.zw/far-reaching-implications-of-the-india-middle-east-europe-economic-corridor/> (accessed on 15.9.2023).

India thus is using different bilateral and multilateral strategies to pursue its leadership role in South Asia. All these factors are all set to fundamentally reconfigure the geopolitics of South Asia. However, the regional turmoils in the South Asian region in recent years has exposed the economic vulnerabilities of smaller South Asian nations. The economic and political crisis in Sri Lanka, the external debt situation in Nepal, the isolation of Myanmar reeling under western sanctions, the case of Bangladesh seeking help from the International Monetary Fund (IMF) to avert a potential economic crisis are a few such examples. Pakistan's economic and political crisis has been going on for sometime now with the country being on the verge of a civil war. The magnitude of the crisis is such that Pakistan will need massive financial assistance from lending agencies to tide the crisis [Kumar, 2023]. Adding to these woes is the pandemic induced declining economic productivity that seems to have plagued most countries the region. Amidst the rising regional turmoil, India has a challenging task ahead. It has to ensure that its own economic fundamental remains strong and it continues to remain on an upward growth trajectory. The fact however remains that the Indian economy cannot remain completely immune from global and regional economic trends.

CONCLUSION

South Asia's strategic dilemma is not restricted only to power struggles among regional states but also includes external actors. Outside great power involvement and rising competitive dynamics between India on the one hand and Pakistan and China on the other, is playing out in every forum, be it global, regional or bilateral. However, it is the India and China rivalry that over shadows all other bilateral issues between India and its other neighbours. Amidst the rising global and regional challenges, India has a tough task ahead. Ignoring the challenges in its backyard is not an option for India. In the context of the BRI, it evident that when the price of loans entails infringement on sovereignty it is bound be create upheavals in many of the receiving countries. Embedded conditionalities have made smaller countries in South Asia very vulnerable. The reality of China and the threats emanating from some of its expansionist policies will continue to exist but China's role will inevitably be reassessed. What is significant is that the contrast between Indian and Chinese responses to regional and global issues is being registered globally. The solutions to at least some of the challenges in the region lie in how the South Asian countries choose to deal with the world at large and with each other within the region. Their ability to manage their internal political and economic challenges will also be a critical factor. India's assistance to its neighbours through its sub-regional partnership initiatives will also impact the contours of regional politics. India's rise as a serious global player, allows it to leverage its role in mobilizing multilateral institutions and also other major powers in support of its neighbours and other countries of the Global South. India's leadership during the Covid-19 crisis has generated a new sense of expectation among its smaller neighbours. The *Vaccine Maitri* ensured the delivery of free vaccines to over hundred countries including India's neighbours. As a key player in the region, India has both the potential and interest to play a stabilizing role in South Asia. Pragmatic choices reflective of the realist world are driving foreign policy choices all over the world and India is no exception. The geopolitical matrix of South Asia will be largely determined by the dynamics of India and China engagement and the regional and global response to it.

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