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China-South Asia Relations: A Dynamic Contour

Khaled Iqbal Chowdhury

Introduction:

We are currently at a very critical juncture of history. The rise of China coincides with the evolving nature of South Asia's geopolitics and its internal dynamics. Despite the global financial crisis, China has been able to maintain its economic growth momentum. The phenomenal and robust growth has given China a strong economy. China has now become America's largest creditor.ⁱ South Asia is also in transition- India is rising, Indo-Pak rift still continues, fight against terrorism in Afghanistan and Pakistan is on. Due to both internal and external factors of South Asia, Sino-South Asian exchanges are seemingly at an all-time-peak now. Trade and commerce between South Asian countries and China have increased enormously. Both China and the state actors in South Asia have developed mutual stakes. In light of the stated premise, it is very important to study and analyse China's relations with major South Asian countries. This brief is aimed at illustrating China's political, economic and defence cooperation with four South Asian countries- Bangladesh, India, Myanmar and Pakistan.

Sino-Myanmar Relations: A marriage of convenience?

Myanmar was one of the first countries to recognise the People's Republic of China in 1949. But the relations had suffered set back in the 1960s when anti-Chinese riots broke out in Yangon.ⁱⁱ One observer has briefly divided the China-Myanmar relations since diplomatic recognition in 1949 until today into the following phases: "first, ambivalent peaceful coexistence: 1949-1961; second, temporary setback: 1962-1970; third, improving relationship: 1971-1988; fourth, closer entente since 1989".ⁱⁱⁱ

The US and its European allies imposed broad sanctions on Myanmar when the military Junta of Myanmar cracked down on the pro-democracy activists across Myanmar in 1988. It created a void in Myanmar's foreign relations and China stepped in to fill up the void. It is alleged that despite the sanctions, China provided Myanmar with aid and weapons and strengthened existing trade ties. It is also opined that China provides broad diplomatic support to Myanmar's military government.^{iv}

However, Sino-Myanmar relations suffered a blow in August, 2009, when 30,000-50,000 ethnic Chinese, who had emigrated to Myanmar and are mainly traders, fled back to China

following a crack down on the Myanmar National Democratic Alliance Army (MNDAA) in Kokang. MNDAA is a predominately ethnic Chinese militia group in the Kokang region of the Shan State, Myanmar. Media reports stated that about 1500 Kokang militiamen also retreated to China following the conflict.^v This incident was a shock to Beijing.

Myanmar is strategically very important for China. Myanmar provides China critical access to the Indian Ocean. The maritime aspect is very significant and gives Sino-Myanmar relations a strategic angle, not only for imports of natural resources (mainly oil and gas) and exports from landlocked southwestern Chinese provinces, but also “potentially for military bases or listening posts”.^{vi} Over time, China has built naval facilities, radars and signal-intelligence (SIGINT) posts along the Myanmarese coast and in Coco Islands.^{vii} Media reports suggest that China is assisting Myanmar to modernise, improve and militarise naval port facilities in the Bay of Bengal at Akyab (Sittwe), Kyaukpyu and Mergui, and constructed a major naval base on Haingyi Island near the Irrawaddy River delta.^{viii}

According to an editorial published in the state controlled newspaper in Yangon, *The New Light of Myanmar*, bilateral cooperation between the two countries has expanded in various sectors, especially in the agriculture, hydropower, industrial, mining, oil and gas sectors and infrastructural building industry in the recent years.

According to Chinese official statistics, China-Myanmar bilateral trade amounted to US\$ 2.6 billion in 2008, which is 26.4 percent higher than in the year before. Until the year 2008, China's contracted investment in Myanmar amounted US\$ 1.33 billion.^{ix} Today, China is officially Myanmar's third-largest trading partner (after Singapore and Thailand) and the largest foreign investor.^x

Sino-Myanmar defence cooperation is also burgeoning. China is a major supplier of Myanmar's military hardware and training. According to various sources, in recent years Beijing has provided billions of dollars in military assistance to Yangon, including fighter, ground-attack and transport aircraft; tanks and armoured personnel carriers; naval vessels and surface-to-air missiles.^{xi}

Chinese Vice President Xi Jinping, during his recent visit to Myanmar, met with Than Shwe, Chairman of the State Peace and Development Council of Myanmar and both leaders pledged to improve traditional friendship of the two countries.^{xii}

Despite the recent developments and positive trends in the Sino-Myanmar relations, observers have often labeled the entente as “uneven, asymmetrical, but nevertheless reciprocal and mutually beneficial”. The Sino-Myanmar strategic entente and economic relations are regarded as “a marriage of convenience”.

Sino-Pakistan relations: An all weather friendship?

Since establishing diplomatic relations in 1951, China and Pakistan have enjoyed a close and mutually beneficial relationship. Pakistan was one of the first countries to recognise the People's Republic of China and to break ties with Republic of China, based in Taiwan. Sino-Pakistan relations have evolved amid the period of Beijing's international isolation in the

1960s and early 1970s.^{xiii} Sino-Pak cooperation ranges from economic, military and technical exchanges to supporting each other at various global forums.

Many believe that Sino-Indian rift in the 1960s also played a critical role in bringing China and Pakistan closer. Today, rise of India is unsettling for Pakistan and is also equally discomfoting for China. This reminds us of the age old adage: enemy's enemy is my friend! "A strong China means a strong Pakistan," said the Pakistani President Asif Ali Zardari when he visited China in October, 2008. It was his maiden foreign trip after he came to power in 2008.^{xiv}

Many analysts term Sino-Pak relations as "all-weather friendship"^{xv}. Trade and commerce between China and Pakistan are growing rapidly. Trade between the two countries was about US\$ 7 billion in 2008, and both sides have a target to soar bilateral trade to US\$ 15 billion by 2011.^{xvixvii} In recent years, Chinese investment in Pakistan has grown, with Beijing investing in heavy engineering, power generation, and mining and telecommunication sectors in Pakistan.^{xviii}

China and Pakistan have a strong strategic alliance. China is helping Pakistan to build a deepwater sea port in Gwadar, in Baluchistan Province. Apart from its economic value, analysts believe, the port has significant strategic importance. It can be militarised in the future, "providing China with a base to defend Persian Gulf oil shipping lanes. India regards the port with discomfort".^{xix} The port has been a major concern for India. India believes that the Gwadar port would become the westernmost 'pearl' in China's "string of pearls" strategy.^{xx}

Sino-Pak military cooperation is also witnessing an upward trend. Very recently, China (on July 31, 2009) delivered the first of the four state-of-the-art F-22P frigates to its "all-weather ally" Pakistan in accordance with contracts signed between the countries four years ago.^{xxi}

The Sino-Pak relations reached a new height when news came out that China has agreed to sell 36 J-10B fighter jets to Pakistan. The Chinese J-10 aircraft are known to be one of the most advanced weapon systems made in China. Pakistan will be the first country to receive technologically advanced J-10B Chinese combat aircraft.^{xxii} This arms deal indicates the depth of the strategic alliance between China and Pakistan.

China has also offered Pakistan military assistance to fight terrorist activities in Pakistan.^{xxiii} China and Pakistan have been jointly conducting R&D in the defence sector for many years. For instance, in January 1990, Pakistan and China formally agreed to jointly design, develop and manufacture MBT-2000 *Al Khalid* tanks for Pakistan army.^{xxiv}

Sino-India relations: competition or cooperation?

"President Hu and I also discussed our mutual interest in security and stability of Afghanistan and Pakistan. And neither country can or should be used as a base for terrorism, and we agreed to cooperate more on meeting this goal, **including bringing about more stable, peaceful relations in all of South Asia.**"

(Joint Press Statement by President Obama and President Hu of China in Beijing, China.)^{xxv}

The joint statement issued by President Obama and President Hu during Obama's visit to the China has raised concerns in India regarding the future role of China in South Asia. Obama's calling for a greater Chinese role in South Asia has caused raised-eyebrows in the Indian political and strategic arena. Many analysts believe the joint statement was meant to accord China an important role in Indo-Pak relations.^{xxvi} This development is contrary to New Delhi's official position that the India-Pakistan relationship is exclusively bilateral. It would be quite interesting to watch how this development shapes the course of Sino-Indian relations in the coming days.

The Indian State of Arunachal Pradesh remains the bone of contention between the two countries. When Indian Prime Minister Manmohan Singh made his maiden visit to Arunachal Pradesh as Prime Minister in January 2008, he proclaimed the disputed state as "our land of the rising sun." The Chinese government quickly expressed its protest over Manmohan's claim.^{xxvii} In a recent move, the Indian Government has endorsed raising four new mountain divisions of the Indian Army along the 4,056 km long disputed Line of Actual Control between India and China.^{xxviii}

According to Indian media report, Indian Army Chief General Deepak Kapoor in a seminar in December 2009 in Army Training Command, based in Shimla, India, stated that Indian army is revising its war doctrine for Pakistan and China. The Times of India, an influential Indian national daily, on December 2009 reported that Indian army is bringing about changes in its war doctrine to face challenges of a "possible two-front-war with Pakistan and China", along with a host of other fourth generation warfare strategy reformulations.^{xxix} This is a significant development in the South Asian security realm and only exacerbates Indo-China tensions. Pakistani Army Chief, General Ashfaq Parvez Kayani, responded sharply terming the Indian move as "an adventurous and dangerous path, the consequences of which could be both unintended and uncontrollable."^{xxx} We are yet to hear Chinese reactions to Indian Army Chief's statement.

Sino-India maritime competition is leaving a footprint on the relationship between the two countries. China is extending and establishing maritime cooperation with South and Southeast Asian states with a view to securing its foreign oil and trade routes. It is China's realisation that maintaining formidable maritime cooperation with Pakistan, Sri Lanka, Myanmar, Bangladesh, Thailand and Cambodia through investment and port development is essential to establish Chinese influence in the Indian Ocean, Strait of Malacca and the South China Sea.^{xxxi} Therefore, China has taken up the 'String of Pearls' strategy quite seriously and it has become a major concern for India. There is a growing fear in India that the Chinese "Pearl" ports would be used for military means in the future to curtail Indian maritime influence in the region.

India bounced back in 2007. During that year, Indian navy, along with the navies of the US, Australia, Japan and Singapore, conducted a massive naval exercise, codenamed "Malabar-07-2", in the Bay of Bengal. Thirty-four ships and submarines of these five countries took part in the six-day war game. Two aircraft carriers of the US navy - USS Nimitz and USS Kitty Hawk joined India's only aircraft carrier, the INS Viraat, in the drill. According to Indian navy spokesman Captain Vinay Garg, this drill was perhaps the biggest ever peace-time joint naval exercise in Asia.^{xxxii} While Indian Defence Minister A.K. Antony told that there was no military alignment, many analysts believed the exercise was an attempt by these

countries (including India) to contain China's growing presence in the Indian Ocean.^{xxxiii} China registered its concerns over the war games.

Both China and India have great power ambitions. Both are on the fast track to development and are in competition with each other. Despite the suspicion and competition, Indo- China cooperation in various sectors is also being witnessed. India-China trade has burgeoned from US\$ 2 billion in 2000 to an expected US\$ 60 billion in 2010, exceeding the trade between India and the United States.^{xxxiv}

Sino-Bangladesh relations: A time-tested friendship

The People's Republic of China and the People's Republic of Bangladesh officially established diplomatic relations on 4 October, 1975. Since then the friendly relations and cooperation between the two countries have been growing steadily. Meaningful cooperation has been achieved in various fields between China and Bangladesh. Bangladesh's Ambassador to China, H.E. Munshi Faiz Ahmed, has termed China-Bangladesh relations as "a time tested-tested friendship".^{xxxv}

When the Chinese Foreign Minister Yang Jiechi met with his Bangladeshi counterpart on the sidelines of the UN Conference on the World Financial and Economic Crisis and its impact on Development, Mr. Yang said that Chinese government attaches great importance to the Sino-Bangladeshi relations. In return, Dipu Moni, the Foreign Minister of Bangladesh said, "Bangladeshi sees China as its close friend and cooperation partner."^{xxxvi}

China is already the largest trading partner of Bangladesh, replacing India. Bangladesh-China bilateral trade volume increased from US\$ 1.1 billion in 2002 to US\$ 4 billion in 2008 and is predicted to approach US\$ 5 billion by 2010^{xxxvii}; but the balance is tilted towards China. Bangladesh Bank statistics suggests that Bangladesh's import payments to China during the April- June (2009) quarter exceeded US\$ 770 million, whereas, the export receipts were only over US\$ 21 million. According to the Bangladesh Board of Investment (BOI), Chinese Foreign Direct Investment (FDI) Proposal Registration with the BOI in 2007 increased by 140% over that of the year before.

To take Sino-Bangladesh relations to a greater height, establishing direct communication/ road linkages between the two countries is crucial. Kunming, the capital of Yunnan Province, in southwest China, is only two hours away from Dhaka by air and has large market potentials for Bangladeshi goods. The most feasible option for Bangladesh to connect with China by road is through Chittagong-Guandhum-Myanmar route. The Kunming-Chittagong route will be the fastest connection from Yunnan of China to Bangladesh and it would open up immense opportunities to expand Sino-Bangladesh trade volume to a large proportion.

The Kunming-Chittagong road linking project was endorsed with the China-Bangladesh Joint Communiqué signed in 2005 between the governments of Bangladesh and China. Bangladesh and Myanmar also signed a deal in July 2007 to construct a 25 km road to connect the two countries. Bangladesh will fund the road, most of which will be inside Myanmar, with only about 2 km in Bangladesh. In May 2009, Bangladesh and Myanmar government officials discussed expanding the planned road project with Bangladesh to link up with China in a tri-

nation network. This 25 km-long road will open up new avenues for Bangladesh to expand its trade volume with China and Myanmar.

Sino-Bangladesh defence cooperation is also very strong. China has emerged as a major supplier of military hardware to Bangladesh Armed Forces. Most of the tanks (T-59, T-62, T-69, and T-79), a large number of armoured personnel carriers (APCs), artillery pieces and small arms and personal weapons in the Bangladesh Army are of Chinese origin. China is a major supplier of Bangladesh navy. The supply includes the 053-H1 Jianghu I class frigates with 4 x HY2 missiles, Huang Feng class missile boats, Type-024 missile boats, Huchuan and P 4 class torpedo boats, Hainan class sub chasers, Shanghai class gun boats and Yuchin class LCUs. In 2005, Bangladesh Air Force ordered 16 Chinese made F-7BG fighter planes and the deliveries began in 2006.^{xxxviii} “The People’s Liberation Army (PLA) attaches great importance to developing friendly and cooperative ties with the Bangladeshi armed forces,” said Chinese Defence Minister Liang Guanglie.^{xxxix} Both the nations have regular, extensive and multi-level cooperation on weapons, training and military academic exchanges.^{xl}

End words:

Sino-South Asia relations and the changing contours depend much on South Asia’s internal dynamics.^{xli} It is assumed that Sino-Indian hostilities in the 1960s bound China and Pakistan into a closer tie. Similarly, US-India nuclear deal has made China apprehensive. It would be very interesting to see whether China and India would be proactive in bridging the gaps between the two big and emerging nations, or whether China would act reactively by aligning itself more with Pakistan and other small states in South Asia. Many analysts believe that if the interests of the two countries- China and India- converge, then they will be more than willing to cooperate on the outstanding issues that lie between the two countries. For instance, during the Copenhagen Summit (COP15) last year, both India and China joined hands to advance the interests of the developing nations in the climate change forum. According to the Chinese Ambassador to India, the global financial crisis and the evolving international scenario have helped China and India to maintain a stable momentum and to make new progress in the bilateral relations. A number of heads of the state level meets in the recent time- the Shanghai Cooperation Organisation (SCO), BRIC (Brazil, Russia, India and China) Summit, East Asia Summit, Copenhagen Climate Change Conference- show that both the countries are pursuing active paths of diplomacy to bridge gaps. Now, only time will tell whether the two states can go past the historical bilateral competition and embrace an all inclusive cooperative mechanism for South Asia.

Khaled Iqbal Chowdhury is working as a Research Analyst at the Bangladesh Institute of Peace and Security Studies (BIPSS). He is a graduate of the Department of International Relations of Dhaka University. His research is mainly focused in the areas of ‘Chinese Foreign Policy’ and ‘Transnational Security Threats’.

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