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# CHINA'S FUTURE RELATIONS IN THE SOUTH ASIAN REGION: A STUDY FROM A NEOCLASSICAL REALIST APPROACH

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## ABSTRACT

*The People's Republic of China has asserted itself as a South Asian state by showing a keen interest in its affairs. China's stance indicates that it respects the sovereignty and territorial integrity of countries and is not favourable towards involving itself in the domestic affairs of other countries. However, China's current relations in the South Asian region are facing a predicament as there is a possibility of some national governments and their domestic constituencies not favouring China's policies in their countries. Stemming from a Neoclassical Realist lens which underscores the importance of state-society relations in the foreign policy-making of a country, this article analyses the reasons as to why national governments and their domestic constituencies, especially in the South Asian region may have these perceptions and also what type of policies and practices have led to this opposition. The primary objective of the study examines how China's relations in the South Asian region can be improved in order to create a better image. Following the case study method, the research examines how the public from Myanmar, Pakistan and Sri Lanka have influenced each of these countries' foreign policy-making towards China. It was found that China's foreign policy executive needs to be conscious that the people of South Asia are currently assertive about their governments' policy initiatives, thus requiring a more conscientious approach. China must be mindful that these concerns could also affect the future of the Belt & Road Initiative. In conclusion, when analysing the South Asian states' external relations pertaining to China, it can be established that these states will attempt to be more vociferous in their interaction and relations. Hence, China should calibrate its diplomacy to suit modern day requirements so that it does not alienate other countries.*

**Keywords:** Belt & Road Initiative, China, Foreign Policy, Neoclassical Realism, South Asia

## INTRODUCTION

The People's Republic of China (PRC) is not a stranger to the South Asian region and the Indian Ocean Region, as it has traversed these waters and has been associated with these countries from the time of the Ancient Silk Road. From not too long ago, a selection of Chinese nationals and some of its regions, especially those regions in the West and the South Western areas of the country, have increasingly rallied a South Asian identity, over an East Asian one. Therefore, in modern times, China

has asserted itself as a South Asian state by showing a keen interest in South Asian affairs. Towards this end, it sought observer status in the region's regional entity, i.e. the South Asian Association of Regional Cooperation (SAARC), a move, which was welcomed by the South Asian states. Further, even though China does not have any physical borders with the Indian Ocean, it considers itself an Indian Ocean state for two reasons: firstly, as it borders Indian Ocean littoral states and secondly, because it navigates in its waters. Further, historical records indicate that China has been sailing the vast Indian Ocean Region (IOR) for at least the past six centuries. These are merely two examples that illustrate China's presence and sentiments towards the region. They also showcase the interest China displays towards the Indian Ocean Region and South Asia.

This article analyses as to whether there is a possibility of national governments and their domestic constituencies from South Asia not favouring China's policies in their countries, and if so, what the basis for such sentiments are. As an analytical research, the objective of the study was to examine how China's relations in the South Asian region can be improved in order to create a better image for it to practice its principle of 'peaceful coexistence'. Accordingly, the study employed the neoclassical realist theory of international relations to examine the research problem identified above.

The value of this research article is that it undertakes a systematic analysis of publicly available data to interpret China's relations in the South Asian region from a neoclassical realist perspective. Neoclassical realism is important for this study, as it considers the position or impact of various domestic variables, people or institutions on a country's foreign policy. Hence, the study diverts from focusing only from an extra-regional perspective of the South Asian region or that of a Chinese perspective, and instead, focuses on how the South Asian countries perceive China. Therefore, this research provides new insight on how China should implement its relations in the South Asian region, by taking the perspectives and the sentiments of the domestic constituencies of South Asia into consideration.

Accordingly, this article comprises of four sections. The first section provides definitions of the South Asian region as well as the Indian Ocean Region. This is taking into considering the location, their borders and resources, as they are important in understanding the relationship between the PRC and the South Asian states. This section also provides a brief description of neoclassical realism and the variables considered in this research study. The second section illustrates China's current relations in the South Asian region. As such, the author analyses China's relations in three of the South Asian case studies, namely Pakistan, Sri Lanka and Myanmar. The future of China's relations in South Asia is discussed in the third section. This section discusses the importance of understanding and engaging with domestic constituencies for China to conduct positive and successful relations in the region in the future. It also rationalises the stance taken by these South Asian states

in forming negative images about China. The fourth and final section consists of the concluding remarks, which includes suitable recommendations for the People's Republic of China to pursue its interactions with the South Asian countries.

### **SOUTH ASIAN REGION**

As this paper discusses about China's relations in South Asia, this section briefly illustrates the borders of the region that it considers to be South Asia.

Established in 1985, the South Asian Association for Regional Cooperation initially considered South Asia to consist of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. This meant the borders of the region extended from Bangladesh's border with Myanmar in the East to Pakistan's border with Iran to the West. The North of the region borders the Himalayas whilst the South is bordered by the Indian Ocean. Furthermore, the Arabian Sea borders Pakistan and India to the West whilst the Bay of Bengal borders India and Bangladesh to the East. The South Asian region was also bordered by Afghanistan to the Northwest, prior to Afghanistan's membership to the regional organisation. In addition, the region is home to the two Indian Ocean island-states of the Maldives and Sri Lanka. In 2007, the association formally expanded its membership and geographical location by accepting Afghanistan. Since the latter's inclusion, the region now borders former member states of the Soviet Union, such as Tajikistan, Uzbekistan and Turkmenistan to the Northwest. As such, an interesting feature of this region is that half of it – i.e. to the South – is bordered by water bodies, with the northern areas being demarcated by land borders.

However, for purposes of this discussion, this research paper considers the South Asian region to also include Myanmar, a country East of Bangladesh and India, bordering China to the North. Myanmar is also open to the Indian Ocean, thus giving it the status of an Indian Ocean littoral state. Myanmar can be identified as a frontier state between South East Asia and South Asia, due to its physical geography as well as cultural affinity to each region. This paper considers Myanmar to be a South Asian state for several reasons. Firstly, Myanmar was part of the British Empire along with the other South Asian states, thereby showcasing similarities in political struggles and contemporary politics (Osada, 2015). Secondly, Myanmar, similar to Pakistan and Sri Lanka, experienced years of conflict, subsequent to their independence as the British followed a divide and rule policy. This policy decision of the British resulted in reduced economic growth, too is a similarity among these countries. Geographically, Myanmar also permits it to be considered as a South Asian state, as it links closely with Bangladesh and the North East of India. China's interaction and initiatives in Myanmar is the third reason this paper views Myanmar to be a South Asian state. These initiatives carried forth by China very much connects Myanmar to what the article defines as South Asia and are also reason for greater inter-linkages between Myanmar and the South Asian region.

## INDIAN OCEAN REGION

The South Asian region is also home to the Indian Ocean which roughly covers 20 percent of the world's space. It is also abundant with natural resources such as petroleum and natural gas reserves as well as many rich natural minerals, such as manganese nodules, ilmenite, and tin and 4.2 percent of the total area consists of continental shelves. This ocean space is in possession of some of the world's largest fishing grounds, supplying roughly 20 percent of the total world's fish catch. Home to 55 percent of the world's known offshore oil reserves, the Indian Ocean is also a major throughway for the transport of raw material and commodities, such as crude oil, iron, coal, rubber and tea. Further, forty percent of the world's offshore natural gas reserves are in the Indian Ocean littoral states.

Approximately half of the world's container traffic passes through the Indian Ocean with 30 percent of the world's trade being handled in its ports. Furthermore, it is estimated that over 60,000 ships continue to sail from east to west and vice versa annually, carrying two thirds of oil and half of all container shipments. It is estimated that currently 80 percent of China's energy shipments are imported through the Indian Ocean region, which showcases that there is an inherent interest by China towards safeguarding these routes, the Sea Lanes of Communication (SLOCs), as well as engaging with the region to ensure its imports are safe.

As a preamble to the discussion on China's role in South Asia, it is important to recognise John W. Garver's observation:

China's objective in the SA-IOR is to grow friendly, cooperative relations across many dimensions with all the countries of that region on the basis of mutual benefit, understanding and trust. In the Chinese formulation, this dictum is called the Five Principles of Peaceful Coexistence (2012, p.392, emphasis in original).

The concept of Peaceful Coexistence is at the heart of the discussion in this paper, as China's Belt and Road Initiative (BRI) upholds the Five Core Principles of Peaceful Coexistence<sup>1</sup>, namely mutual respect for each other's sovereignty and territorial integrity; mutual nonaggression; mutual non-interference in each other's internal affairs; equality and mutual benefit, and peaceful coexistence (State Council, People's Republic of China, 2015). Peaceful coexistence can be described as collaborating without being hostile to one another, which underscores the very essence of the Chinese dictum that is discussed in this paper.

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1 The Five Core Principles on Peace Coexistence as they are known today, derive from a 1954 derivation, by the name Panchsheel. The latter came into the public discourse via a joint statement issued by China and India in June 18, 1954, when the Chinese Premier visited India to discuss about Tibet with Indian Premier Jawaharlal Nehru. [http://www.mea.gov.in/Uploads/PublicationDocs/191\\_panchsheel.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/191_panchsheel.pdf)

South Asian countries consider China as a regional power, as unlike India, it has not been involved with the historical struggles in the region. This is due to the peaceful association of China with the South Asian region through its Ancient Maritime Silk Road. As a result, China is more economically attractive to South Asia, which is important in building good relations with the neighbouring countries (Wagner, 2016, p.318). China is further attractive to South Asian states as a counter-weight to the regional hegemon, i.e. India. Its relations with Pakistan are a case-in-point where both China and Pakistan have cooperated on many defence matters, with India as the common point of reference. The South Asian states do not like to acknowledge India's default hegemon status, therefore welcomed interaction with extra-regional powers such as China. Furthermore, the odds are in favour of China which has the economic capacity to invest and trade in South Asia as well as provide defence assistance when required.

### **NEOCLASSICAL REALISM**

Neoclassical realism was coined by Gideon Rose in his review article in 1998 and was later developed via the works of Norrin M. Ripsman, Jeffrey W. Taliaferro and Steven E. Lobell (2009, 2016). In his article, Rose emphasised the influence of exterior and interior factors when a state formulates its foreign policy. Emphasising the importance of the state in international relations, neoclassical realism, as a theory on foreign policy, identifies the importance and relevance of various domestic-level intervening variables.

Of the three major variants of neoclassical realist theory on international relations, this research study draws on the model developed by Ripsman, Taliaferro & Lobell (2016), i.e. the Type III model of Neoclassical Realism. This model provides a detailed analysis of how domestic-level variables such as leader images, a state's strategic culture, state-society relations and domestic institutions influence a country's foreign policy-making.

Accordingly, this study focuses on two of the above-mentioned domestic-level variables, notably, leader images and state-society relations, in its examination of China's relations with the Myanmar, Pakistan and Sri Lanka. It, therefore, conducts a systematic analysis of the influence individuals – state leaders such as Mahinda Rajapaksa (November 2005 to January 2015) and Maithreepala Sirisena and Ranil Wickremesinghe (January 2015 to present) in Sri Lanka; Nawaz Sharif (June 2013 to July 2017), Imran Khan (August 2018 to present) in Pakistan; and Aung San Suu Kyi, Thein Sein (March 2011 to March 2016) in Myanmar – have on the decision-making process vis-à-vis external relations of these three countries. As this research scrutinises influence the general public or the domestic constituencies have on foreign policy-making, the third domestic-level variable, i.e. state-society relations, is important towards this consideration. This variable analyses the nature of interaction between the central government and the domestic public. It also

defines the difficulties the Foreign Policy Executive (FPE) has to overcome in formulating and implementing a foreign policy favourable to the state, so as to not face domestic opposition.

The motivation for selecting these two particular variables depend on the time-frame under consideration in this study. Hence, the research examines the short-term and short-to-medium term time frames (Ripsman, Taliaferro & Lobell, 2016). Therefore, the consideration of both this particular time-frame and the domestic-level variables are of importance to this research study.

## CHINA'S RELATIONS IN SOUTH ASIA

When discussing China's relations and involvement in the South Asian region and the Indian Ocean, it must be noted that SAARC included China along with Japan, South Korea, the European Union and the United States as observers of its organisation in 2007. This was a move that was welcomed by all the South Asian states, thus indicating that even a decade ago, the South Asian states recognised China's growing role in the region as well as were agreeable to China's engagement in the region's affairs.

Although China applied for an observer status of the SAARC in 2005 and received approval for the same two years later, China has not been successful in developing multilateral ties with it. Christian Wagner asserts that China concentrated on and is content with having "bilateral relations rather than on multilateral structures", therefore, it has not focused on driving its relations with this South Asian organisation (2016, p.307). However, this inability can be largely attributed to the lack of cooperation within the SAARC itself. Further, the distrust and unequal power dynamics among the states are also a reason as to why the SAARC has not been successful in harnessing the potential it should have, by engaging in partnerships with either other states or with other regional blocs. As a result, China has not been able to sign an economic agreement with the organisation, which represents the entirety of South Asia, with which, it has very favourable bilateral economic arrangements. China's sentiments towards the South Asian region were echoed during President Hu Jintao's visit to Pakistan in 2006, when he stated: "China wants to develop friendly and cooperative relations with all South Asian countries on the basis of equality and reciprocity" (as cited in Garver, 2012, p.392, emphasis original). A favourable economic agreement with China would greatly benefit SAARC as an organisation, as well as the region's countries in their individual capacities. A more recent understanding for China not signing a multilateral agreement with SAARC could be attributed to the Belt and Road Initiative (BRI) – a multilateral venture driven by China, seeking contributions from the countries that have subscribed to it.



Whilst bilateral agreements are convenient and often devoid of multilateral bureaucratic red tapes, it does not suggest that China is shying away from multilateral commitments. Even though bilateral agreements permit China to have suitable terms with each individual country in the South Asian region, it does not afford the same benefits as that of a multilateral engagement. One of the foremost projects that suggest China's keen interest in driving multilateral engagements is the BRI. According to the State Council of the People's Republic of China, the Belt and Road Initiative "...aims to promote the connectivity of Asian, European and African continents ..., establish and strengthen partnerships among ... countries" (2015). This amply showcases that China intends to create an intricately woven multilateral commitment which promotes and relies on connectivity to better harness the economic potential trapped within countries and regions.

Since the early 2000s, China's interactions in South Asia have witnessed an increase, especially in terms of funding and investments. This is attributed to two reasons: firstly, due to the global financial crisis of 2007-2008, which saw the worst recession in over a century affecting most of the western countries; secondly, the accumulated capital within China, which had not been invested outside its shores was ready to be utilised (Havemann, 2018). The global financial crisis meant the western economies could neither choose to nor afford to spend beyond its shores, as a result, other investors such as those from China, had the opportunity to do so. Furthermore, the fourth and final stage of encouraging Chinese overseas direct investment (ODI) was visible from 1999 onwards. It is during this time period that the term 'going out' strategy was utilised (Guo, 2013). This is clearly explained in Wen Jiabao's speech with reference to China's 'Going-Out' Strategy:

We should hasten the implementation of our 'going out' strategy and combine the utilisation of foreign exchange reserves with the 'going out' of our enterprises (*The Economist*, 2009).

The 'Going Out' strategy implemented by Beijing in the 2000s, permitted the Asian economic giant to make use of its foreign exchange reserves to enable Chinese companies to expand and acquire businesses overseas. According to *The Economist*, China's foreign reserves at the time were the largest in the world (2009). This is a long-term result of China opening up its economy to the world and enabling internal growth of the country. Therefore, whilst the rest of the world was short of capital, China had an accumulation of wealth ready for investment purposes and immediate utilisation.

Having focused on encouraging science and technology related research during the Four Modernisations under Deng Xiaoping, Chinese companies started investing heavily in various construction projects, expansion and operation of port facilities such as that of Gwadar, Karachi, Colombo, Hambantota, Chittagong and Kyaukpyu in the South Asian region (Brewster, 2016). By this time, China had gained a

reputation as being successful in constructing and operating port facilities both at home and abroad.

David A. Brewster categorises China's port related projects in South Asia into three broad areas, differentiating between them according to their economic function as service ports, hub ports and gateway ports (2016). The previously proposed Sonadia in Bangladesh can be cited as an example for a service port whilst Colombo and Hambantota in Sri Lanka can be cited as the second type of port, which is a hub port (Brewster, 2016). Gwadar in Pakistan and Kyaukpyu in Myanmar are illustrative of the third type of port which connects China with the Indian Ocean. The establishment of gateway ports by China brings the securitised lens on the Indian Ocean to the fore, as it is trying to expand an enclosed sea space by establishing overland transport corridors.

These gateway ports are connected to the corridors which run overland providing access to lesser developed regions in China the opportunity to develop and expand. Whilst also ensuring regional connectivity and growth, these corridors also make the Indian Ocean accessible to those who utilise the overland corridors, thus decreasing the use of the sea lanes. Furthermore, in diversifying the manner in which China's energy shipments reach its borders, China is able to lessen the threat to its oil and gas tankers that traverse the Indian Ocean and its various choke points to reach its shores.

In the following sections of the article, the author proceeds to briefly discuss China's relations with Pakistan, Sri Lanka and Myanmar.

## **PAKISTAN**

A long-standing ally of China's in South Asia commencing in the 1960s, Pakistan is viewed as an all-weather strategic cooperative partner (Embassy of the PRC in the Islamic Republic of Pakistan, 2018). The military partnership between the two countries is a well-known fact, especially due to the shared security concerns. However, China asserts that its relations with Pakistan are not intended towards countering India, and are purely economic in nature (see also Garver, 2012). Regardless of the nature of their relationship, together, China and Pakistan have been able to secure sound financial assistance from the Asian Development Bank (ADB) and the World Bank to fund various joint collaborations.

Even though the two countries have long-standing good relations, China is aware of the security risks in engaging with Pakistan, especially in the latter's tribal areas (Brewster, 2016). China is conscious that it cannot rely on Pakistan alone to provide security towards its investment and would require mechanisms of its own to circumvent this. This is a concern China has in engaging in large-scale projects in

Pakistan, as it is wary of ensuring the safety and the longevity of its investments. In 2017, China singularly invested \$990,000 in Pakistan, a 12 percent increase from the foreign investment it made in the previous year (China Statistical Yearbook, 2018).

With an investment of at least \$50 billion, the China-Pakistan Economic Corridor (CPEC) is a very important initiative for China (China-Pakistan Economic Corridor, 2017). It is considered as one of the most crucial projects the Chinese have lined up in order to diversify their energy routes and also to develop their western hinterlands. This project, when fully operational, would enable China to circumvent the Indian Ocean in channelling its energy shipments to the country. This project would also enable China's North-Western frontier, the Xingjian Autonomous Region, to also flourish. The road, railway and air transportation system that is proposed would not only permit the two countries to prosper bilaterally, but also contribute to the prosperity of neighbouring, Afghanistan, India, Iran etcetera (CPEC, 2017). As such, investments via the CPEC project can be broadly categorised as energy, investment, Gwadar and other projects such as laying Fibre Optic Cables, establishing an Early Warning System to name a few (CPEC, 2017).

Even though this project is beneficial to the entire region and would result in the two countries prospering, China's involvement in how this project is being carried out is causing some discomfort within Islamabad. For example, comments on CPEC by Pakistan's cabinet member for commerce, industry and investment, Abdul Razak Dawood sparked tension. Accordingly, it was reported that Dawood stated that the terms and conditions of the approximately \$50 billion CPEC project be reviewed and reassessed (Anderlini, Sender & Bokhari, 2018; Reuters, 2018). Dawood's comments spring from Chinese companies receiving various tax exemptions which provide these companies with an advantage over other foreign companies. In addition to Dawood's statement, Federal Minister for Finance, Revenue, and Economic Affairs, Asad Umar indicated that he intended to table the CPEC project in parliament, to reveal details of the project as well as to discuss "the terms and conditions of Chinese loans" (Kiani, 2018). Furthermore, a report by the World Economic Forum (WEF) states that the newly elected government in Pakistan would want to encourage fresh discussions on CPEC, enabling consultations with business personnel, "civil society and locals affected; ensure landowners receive fair compensation; encourage hiring local labour" (2018). A foremost criticism of this project is that it is not transparent and the costs involved are unknown. As such, there were fresh negotiations on projects such as the China-Pakistan Economic Corridor. Even though these sentiments have been voiced by the new Government of Pakistan, China has maintained that they have close cooperation between each other and is not concerned that their bilateral relations would be affected.

Furthermore, this project has given rise to animosity between federal states such as Balochistan and the central government, with the local population being discontent

and concerned "that the huge energy and transport projects deliver few benefits for locals" (Zheng, 2018). According to Titterton & Abbas, the project has also given rise to the insurgent movement in Balochistan, causing a rise in terrorist activities and attacks on Chinese nationals and various assets (2019). Commenting on the attacks from November 2018, Prime Minister Imran Khan tweeted: "The failed attack against the Chinese Consulate was clearly a reaction to the unprecedented trade agreements that resulted from our trip to China. The attack was intended to scare Chinese investors and undermine CPEC. These terrorists will not succeed" (Aamir, 2018). Comments by the prime minister indicate that the Pakistani government is concerned of the detrimental effects this kind of behaviour from various parts of society could have with their bilateral relations with China. Incidents such as these, showcase that domestic constituencies inclusive of opposition parties do not favour China's policies, capabilities and exploitation of Balochistan's natural resources in Pakistan (Aamir, 2018; Nooruzzman, 2018). However, regardless of these domestic sentiments, China continues to invest in Pakistan.

### **SRI LANKA**

China-Sri Lanka relations are identified as an all-weather friendship, as both parties have stood by each other during pressing times since Sri Lanka recognised the People's Republic of China in 1950. Signing of the bilateral Rubber-Rice Pact in 1952 was an achievement at its time. With years of generosity to its name, China was also one of the few countries that assisted Sri Lanka during the latter's civil conflict. It is worthy of mention that the culmination of the internal civil conflict in mid-2009 introduced the potential for countries to invest in Sri Lanka, as the peaceful environment was conducive for investment. However, Sri Lanka's traditional donors in the west could not contribute to the island's development, due to the global financial crisis, creating space for a wealth-rich China to engage. China's 'Going Out' strategy which was being implemented approximately at the same time, was a significant impetus for their interest in investing. As a result, China's investment and financial assistance contributed positively towards rebuilding efforts in the country (De Mel, 2011; Grovum, 2013; Samaranayake, 2017; Wagner 2016, p. 312; Ye, 2013).

China's investments in Sri Lanka mainly focused on constructing new airports, roads, ports, coal power plants and railways (Aneez, 2013; Annual Report of the Central Bank of Sri Lanka, 2009-2015; Annual Report of the Ministry of Finance & Planning, 2009-2015). In 2007, China invested in the construction of the new port in Hambantota and the Mattala International Airport alongside it. Further investments were made in the construction of the coal power plant in Norochcholai and the construction of the Southern Expressway, the Colombo International Financial City (CIFC a.k.a. Port City) to name a few. In 2011, it ventured into a Public-Private Partnership (PPP) to expand the existing port in Colombo.

With the exception of the PPP in the Port of Colombo, the Colombo-Katunayake Expressway and the Southern Expressway, the other projects in Sri Lanka have come under heavy criticism partly due to the lack of planning on one hand and the inconvenience caused to the general public, on the other. Investment projects such as the Colombo-Katunayake Expressway and the Southern Expressway have eased the daily commute between various destinations and have also significantly reduced travel time between cities. With an investment of approximately \$500 million, the Colombo South Harbour is contributing to the national economy by conducting successful port operations. The Norochcholai Coal Power Plant for instance, is criticised due to its never-ending breakdowns, leading to power shortages around the island. The use of out-dated technology and sub-standard material have often been quoted as reasons. The port in Hambantota and the airport in Mattala are criticised for being ill-planned and ill-timed. In addition, domestic constituencies are criticising the government for acquiring their private land to build the industrial zone in the port's vicinity (Aljazeera, 2017). Furthermore, people are of the view that these projects are triggering a debt crisis as they are not generating the required money to service the debt incurred in repaying loans (Kulamannage, 2018; Wijenayake, 2016). This inability has caused the Sri Lankan government to proceed towards a debt-equity swap for the Hambantota Port, giving 80 percent of the port's share to the China Merchants Ports Holding (International) Company Ltd (Daily FT, 2016). As a result, the resultant impression among the local Sri Lankan populous is that Chinese investments are not benefitting them (Senarathne, 2018). Furthermore, there is a significant debate on the environmental impact by the CIFIC and whether it followed the relevant Environmental Impact Assessment (EIA) procedure (Fernando, 2019; Wijenayake, V., 2014) prior to commencing construction. When compared to other multi-party governments, it is easier to obtain loans from China, due to the nature of its political structure. Hence, national governments are more inclined towards obtaining loans from China. As a result, local partners are not keen on obtaining vital reports such as EIAs. Therefore, both donors and recipients are at the receiving end of public criticism.

Thereby, there is a disfavour among Sri Lankans regarding China's engagement in the country due to various reasons such as environment concerns, certain loans obtained for projects that are not benefitting them and job insecurity, as China brings its own labourers as there is a shortage of labour in Sri Lanka. This, therefore, brings to the fore the intervening variable of state-society relations that dictates how a country's foreign policy is crafted.

## **MYANMAR**

Myanmar is a key ally in China's development of its southern region, which has hitherto been underdeveloped. Projects such as the Myanmar-to-China oil pipeline play a crucial role in supplying crude oil to the refinery in Yunnan, thereby

propelling industrial development within the landlocked region. The pipeline which is approximately 3,000 kilometres long, pumps 260,000-barrels of oil per day to the Anning refinery (He, 2017). This project enables China to access oil from the Middle East faster and also directly to its refineries. In addition, it has a positive security implication as tankers laden with crude oil no longer have to traverse through the Strait of Malacca to China's eastern shores. The sea route through the Strait of Malacca has been an area of great concern for China, as it believes it is susceptible to both natural and political interference which is resultant of not having an alternative safe passage to its shores. China envisaged another project which connects China and Myanmar with South Asia, named the Bangladesh-China-India-Myanmar Corridor (BCIM) which intends to improve the connectivity of Bangladesh's ports via road networks from Myanmar.

In 2011, Myanmar suspended the Chinese driven Myitsone Dam project, due to amongst other reasons, countrywide protests for the project (Bowman, 2016). Accordingly, President U Thein Sein stated: "being the government elected by the people, it upholds the aspiration and wishes of the people.... It is also responsible to solve the problems that worry the public. Therefore, the government will suspend the Myitsone dam project during its tenure" (as cited in Fuller, 2011). As a result, the government suspended the project as it was inconveniencing the people. In 2017, over 300 families from the village of Tang Hpre that were displaced by the project were protesting against the dam being built and implemented (Inkey, 2017). Bowman asserts that the public's voice is very clearly audible and that 'it has power', as such, China needs to engage with it and listen to it (2016). This is a clear indication of when the voice of the local populous, as indicated in Neoclassical Realism, has been able to influence and change the course of foreign investment, which were not benefitting them.

Projects such as the Myitsone dam also raised environment concerns, for instance the damage it would cause the Irrawaddy River, the area of land it would flood, the endemic flora and fauna that would be affected (Bowman, 2016; Fuller, 2011; Htoon, 2019; Inkey, 2017; Ives, 2017).

## THE FUTURE OF CHINESE RELATIONS IN SOUTH ASIA

Futuristically speaking, China needs to be mindful that the people of South Asia are now more informed about their governments' behaviour as they have access to information, thus requiring a more conscientious approach of the public's well-being. This demonstrates that regardless of the bilateral state-to-state diplomatic relations between countries, the public will showcase their displeasure in the event the projects inconvenience them; thereby affecting the future of the joint collaborations initiated by China. This can be validated from a neoclassical realist perspective, by analysing the above cases.

Accordingly, it can be identified that state leaders who are involved in foreign policy-making as well as the domestic population are influenced by each other. In the instances mentioned, the state leaders are in a predicament as they have to change the course of foreign investment due to domestic opposition. There are many concerns that cause these oppositions, such as environmental concerns, transparency of the project, manipulation by opposition parties towards governments. Once again, both of these are reasons for ill-favouring of Chinese policies in South Asian countries, by especially the domestic constituencies of countries. Moreover, when China negotiates infrastructure projects in the future, it needs to be mindful as to whether the project would inconvenience the domestic populous by way of relocating their villages or whether the public well-being would be contested. Accordingly, the Chinese government and their investors need to be conscious that there is a difference in the mode of governance in their country and others, i.e. in communism and democracy. Therefore, how the public interacts will also differ and this would be a new experience for the Chinese, since projects and activities can be changed in democracies as there are elections in multi-party systems, leading to regime changes. When political parties are in the opposition, they criticise the government and the projects carried out by them. Further, the public would voice their concerns regarding such projects and ensure their terms and conditions are renegotiated or strive to halt them. Therefore, it is advisable for Beijing to exercise some caution on the methods of implementation as well as the projects themselves, such as in acquiring the relevant environment clearances.

When analysing China's current relations in the three case studies presented, it was identified that there are mixed perceptions towards Chinese investments as well as practices. However, a constant or a commonality in the three case studies deliberated above on Pakistan, Sri Lanka and Myanmar are that governments and domestic constituencies are not overly satisfied with the Chinese investments in their countries. This will have a significant effect on China's future interactions in the region as well as the projects implemented under the Belt and Road Initiative. Therefore, China must be mindful that these concerns could also affect the future of the BRI as domestic constituencies and national governments will be sceptic, if the projects under the BRI are not implemented effectively and the Chinese government does not justify how these projects would benefit the South Asian countries. Even though the Belt and Road Initiative is considered economic in nature, it will naturally have security implications due to the nature of the projects carried out and due to the projects themselves.

With these internal implications in mind, it will warrant China to ensure its investments are safe and secure from both insecurities within the countries they have invested in, as well as in the ocean space, on which their economy is heavily reliant on. Additionally, with the increasing securitised lens on the enclosed Indian Ocean space, it is likely that China will play a substantial role in providing security requirements to the Indian Ocean littorals it is closely working with. It has thus far

shown that it is a reliable net security provider, a role it will proudly continue to enact in the future.

As Chinese merchant vessels increase in number, the IOR is also set to witness an increase in Chinese Naval presence. The Chinese Navy will not only want to secure its own merchant vessels, but also that of the trade and energy that is being shipped to China. This will result in deeper cooperation with navies of the South Asian countries. As PLAN increases its naval footprint in the Indian Ocean, it will strive to ensure its naval relations too are positive and beneficial towards its activities in the region.

It is noteworthy that within a span of months in 2018, two of China's major infrastructure partners in the South Asian region – namely Maldives and Pakistan – changed their governments. In September 2018, the Maldives democratically elected a new president – Ibrahim Mohamed Solih – to serve for the next five years (Manning and Gopalaswamy, 2018; Rasheed and Afeef, 2018). This would be a huge turning point for relations between China and this archipelagic Indian Ocean state, as the incumbent president Abdulla Yameen had very strong bilateral relations with China, leading to the implementation of Chinese projects such as a friendship bridge – Sinamale Bridge, the expansion of the international airport as well as the leasing of the Feydhoo Finolhu island for tourism (Business Report, n.d.; Latheef, n.d.).

Pakistan appointed Imran Khan as their prime minister, who has pledged to review the projects currently undertaken by Chinese companies. The new government has pledged to be more transparent about projects such as CPEC as well as address concerns pertaining to the country's national interests. However, these shifts in politics would test Beijing in implementing its dictum of 'Peaceful Coexistence', whereby similar to Sri Lanka, it should make suitable arrangements for their government to work with the two newly appointed governments in South Asia.

## CONCLUSION

In conclusion, when analysing the South Asian states' external relations pertaining to China, it can be established that the domestic populous of countries like Myanmar, Pakistan and Sri Lanka will attempt to be more vociferous regarding the investments coming into their countries. They will also scrutinise their foreign relations. Therefore, it is quintessential for China to be aware of intervening variables such as leader images and state-society relations as discussed in Neoclassical Realism when implementing its strategy in South Asia.

Further, as China maintains it is following a principle of peaceful coexistence, it needs to showcase how both parties would mutually benefit by implementing



certain projects. Moreover, it also needs to understand and acknowledge the hesitation and displeasure shown by certain South Asian countries. Going forward, China therefore, should calibrate its diplomacy to suit modern day requirements and also to not alienate other countries; it should compromise and treat others with equality and respect. Having understood the negative predicament, China should employ its core principle of peaceful coexistence to conduct its future diplomatic relations with the South Asian countries. China will thus be more cognisant of the concerns aired by the South Asian states, and aware that these concerns are legitimate and could be replicated elsewhere in the world. Thus, China should proceed to positively change the way it interacts with South Asia, by also taking into consideration levels of corruption, lack of modern technology and know-how in these countries. This understanding would also benefit China in implementing various projects under the Belt and Road Initiative and also assist in its longevity and reliability.

It can be ascertained that China's perspectives are changing and also determining the manner in which extra-regional powers interact with the South Asian region. On one hand, this paves the way for a new manner via which international relations will be conducted in the region, while on the other, it showcases that China will thus be the determining factor in how the relations are carried out. This will, therefore, pose a more direct securitised lens on the Indian Ocean Region as well as on South Asia. As such, China needs to be sensible in implementing its Core Principles with immediate effect. China's positioning in the international arena in doing so, will have two possible features: firstly, that it creates a new model for how the world interacts with one another, and secondly, the dynamics of its relations with the South Asian region will change.

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