India should reconsider its decision not to participate in the Belt and Road Initiative

Following India’s decision not to attend the Belt and Road Initiative Conference in Beijing last month, Nafees Ahmad discusses the objections which may have motivated the boycott. He writes that in spite of its reservations, India would be well advised to engage with BRI as it stands to gain more by participating, despite the tensions in its bilateral relationship with China.

India was visibly absent from the Belt and Road Initiative (BRI) Conference, which took place in Beijing on May 14-15 and was attended by the twenty-nine heads of State and several high-profile delegations from the stakeholder countries. India received dozens of invites to be a part of this grand event in various capacities, but India responded with regrets at different levels of its administrative and political executive. A key motivation for India’s boycott relates to its concerns relating to inter-alia territorial sovereignty issues over the China-Pakistan Economic Corridor (CPEC) element of the project.

Origins of the Belt and Road Initiative

The BRI project, also known as One Belt, One Road (OBOR), was conceived in 2013 by President Xi Jinping in Kazakhstan and Indonesia respectively. It now comprises all of South Asia excluding Bhutan and India. This situation enhances the China’s eco-strategic influence in the countries where India also has enormous stakes. The idea of BRI has been founded upon three fundamental principles: Negotiations/Talks (Gong Shang), Construction/Building (Gong Jian), and Sharing Results (Gong Xiang). Consequently, these core principles allude to an inter-connectedness of the five elements of the trade transactions in the region such as political willpower, building infrastructure, capital investment, trade promotion, and people to people exchange programmes. The BRI project has been presented by China as an engine of economic power and growth to build its geostrategic influence in the region, and is being marketed as the trans-continental venture involving multi-billion dollars investment.
India’s objections to the Belt and Road Initiative

India has had the courage to tell China that it has not been contacted when BRI and CPEC experiments were started and has raised concerns over the fact that the Corridor will pass through Gilgit-Baltistan in Pakistan-Occupied Kashmir (PoK). However, China already has a long-running border dispute with India, so India’s concerns relating to territorial integrity and sovereignty are of low priority, particularly as it has already invested hugely in these economic activities. Bilateral relations between India and China have deteriorated of late, in a large part due to China’s opposition to India’s entry into Nuclear Supplier Group (NSG), and vetoing the UN listing of Pakistan-based terror suspect Masood Azhar. However, India has also one credible weapon in its diplomatic kitty, and that is the Dalai Lama. India is making selective utilisation of his presence in India against China e.g. China was rattled by the Dalai Lama’s visit to Tawang monastery in Arunachal Pradesh on 4 April, 2017 despite the Chinese opposition.

Others have put forward other perspectives on India’s resistance to BRI. Diplomats have a line of argument that if India joins the initiative, it will put China in an advantageous position against India in South Asian region. Some Chinese academics support this perspective. Mr Hu Shisheng of China Institute of Contemporary International Relations (CICIR) is of the view that India is more worried about the ever-growing Chinese influence in its backyard and it is not ready to play second fiddle to China regionally or globally. Therefore, Indian geostrategic experts would prefer a US-oriented world order instead of China-dominated one. The Director of Center for Indian Studies at China West Normal University, Mr Long Xingchun opined that India does not appreciate the emerging status and clout of China in the contemporary world. Another well-known International Relations expert Mr Dai Yonghong stated that India’s position on BRI is not understandable and it is nothing but India’s uneasiness with rising China.

However, there is another scenario in which India is a party to the Asian Infrastructure Investment Bank (AIIB) along with Bangladesh, China, and Myanmar (BCIM) that also contemplates an Economic Corridor as a part of BRI. Although the BCIM-EC proposals preceded the BRI by years, and member-states were not conscious of the fact that it might be linked to a large Chinese project in future, the fact that India is part of such a proposal adds weight to the idea that it is primarily India’s unattended concerns relating to CPEC which motivated the boycott.

Why India should join the Belt and Road Initiative
Regardless of the precise nature of its objections, India would be well advised to join BRI for a number of reasons:

- That all the member states of SAARC and ASEAN are participating growth-oriented BRI projects so boycotting could impact engagements with these countries;
- India does not currently have any equivalent project right now, therefore, it has an opportunity to participate and reap benefits;
- India must not miss this historical opportunity of creating an alternative to the western dominated world economic order;
- The BRI project is likely be beneficial to India in the long run and it would be in a better position to assert its territorial sovereignty over the PoK as an insider to the initiative;
- The Government of India must give an opportunity to China to test its sincerity and constructive approach to India’s concerns to issues that are currently hurting the bilateral relationship;
- China has always supported India in organising conferences like the Heart of Asia despite the bilateral differences on many issues;
- India’s participation in the BRI would motivate China to support India’s own large-scale connectivity initiatives like BBIN and BIMSTEC in the South Asia region;
- India’s efforts complement connectivity projects in Southeast Asia, and the International North-South Transportation Corridor (INSTC) would leave an indelible imprint in Central Asia, Europe, Russia, and Afghanistan. In future, China may be willing to be a part of INSTC and India would be in a bargaining position to extract a few concessions in BRI.

India should also note that despite the fact Japan’s relationship with China is at an all-time low due to tensions in the South China Sea Japan has participated in the BRI project.

China is willing to have credible room for attending some of the concerns expressed by India and India cannot afford to withdraw from all economic engagements involving China. Take, for example, the Regional Comprehensive Economic Partnership (RCEP). If there is no geostrategic re-thinking in India, China will simply go ahead with finalizing this Free Trade Agreement without its South Asian neighbour. RCEP consists of ASEAN countries plus others in the Asia-Pacific region including India, China, Australia, Japan, New Zealand, and South Korea which is a region home to 46 percent of the global population that has produced the 30 percent global GDP in 2016 alone. It is therefore another valuable forum for economic engagement and it could provide another incentive to strengthen the BRI project for better economic integration of this region.

However, BRI project may have far-reaching consequences as China has decided unilaterally to implement it in South Asian countries. The BRI kind of projects in their existing form may entail financial implications for the South Asian countries and have a direct impact on India. Therefore, it is in China’s interest for India to participate in such projects as these require universally accepted fundamental principles of the rule of law, sovereign equality, international openness, transparency and good governance.

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