New Normal in the Indo-Pacific Contestation

Why in news?

With tensions between China and India intensifying, there will be significant changes and challenges in the Indian Ocean and South Asian regions.

What is the issue with China's widening outreach?

- Beijing's outreach in South Asia increased manifold in the early 2000s with its economic boom.
- It began to further its strategic ends in the region through loans, financial incentives, and mega-infrastructure projects such as the **Belt and Road Initiative (BRI)**.
- These investments enabled Beijing to access the Indian Ocean, promote security ties, harbour military vessels and submarines, and take certain ports on lease (**Hambantota port of Sri Lanka**).
- It is only with the **Galwan clashes** in 2020 that the Indian strategic thinking is deeming Beijing as a bigger threat than that of Islamabad.

What steps were taken by India to narrow the Chinese outreach?

- **In Maldives** - New Delhi is reciprocating President Ibrahim Solih's '**India First'** policy with massive economic assistance, grants, and infrastructure projects and by also cooperating on maritime security.
- **In Nepal -** Prime Minister Deuba's government has attempted to improve Nepal's overall bilateral relations with India.
- **In Sri Lanka** - In 20222, India has provided economic and humanitarian assistance and investments worth 4 billion dollars.
- **Steps by Quad members** – Quad members include Japan, Australia, and the United States.
- Close cooperation among these partners has ensued to offer genuine alternatives to the BRI such as assistance to Sri Lanka.
- In the Maldives, Australia and the U.S. have committed to opening their embassies and new areas of cooperation.
- In 2020, the U.S. signed a defence and security framework with the Maldives.
- In 2022, Nepal ratified the **U.S.'s Millennium Challenge Cooperation (Nepal Compact)**, much to China's displeasure.

The Nepal compact aims to maintain road quality, increase the availability and reliability of electricity, and facilitate cross-border electricity trade between Nepal and India—helping to spur investments, accelerate economic growth, and

reduce poverty.

What are the challenges?

- The success of India and its partners is unlikely to deter China from furthering its presence in the region.
- In 2022, the Chinese surveillance vessel **Yuan Wang-5** entered the Indian Ocean, coinciding with the test flight of **Agni-series** missile.
- Beijing also hosted its first-ever **China-Indian Ocean Region Forum**, to institutionalise its presence in the region and challenge new initiatives such as the Quad and the Colombo Security Conclave.

What lies ahead?

- **Current issues** - The COVID-19 pandemic and Russia's invasion of Ukraine have continued to haunt the region.
- Nepal, the Maldives and Bhutan are struggling with depleting forex reserves.
- Bangladesh has reached a bailout agreement worth 4.5 billion with the International Monetary Fund.
- Sri Lanka is yet to chart its way out of the economic crisis.
- **Need for a balance** - Beijing will continue to leverage its influence in South Asia but the latter would hesitate to completely move away from China as they hope to balance China and India —making this competition a 'new normal'.
- However, a balancing outcome is very likely with most South Asian countries now facing economic and political turmoil.

References

1. The Hindu | The new normal in the Indo-Pacific contestation

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