Limited Hard Balancing
Explaining India’s Counter Response to Chinese Encirclement

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Abstract

The growing influence of China in South Asia has caused concern for India. China’s alliance with Pakistan, India’s arch-rival, is troubling for New Delhi. Additionally, China’s flagship Belt and Road Initiative program, the China–Pakistan Economic Corridor (CPEC), is seen as a geopolitical move to limit India’s influence in the subcontinent. In response, New Delhi has adopted a comprehensive strategy to counter China’s challenge in India’s immediate vicinity. This includes a broad set of policy measures, such as reaching out to neighboring countries, embracing like-minded allies and partners, and adopting a tit-for-tat approach to counter China’s moves. The article argues that New Delhi’s strategy is aimed at containing China’s influence in the region while also safeguarding India’s own interests.

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The changing power dynamics in South Asia have attracted the attention of extra regional powers such as China and the United States. This region is strategically important, serving as a conduit to the landlocked and resource-rich Central Asian Republics (CAR) and becoming a new center of gravity. Despite the consensus among scholars that China aims to be the dominant power in Asia, South Asia’s geostrategic importance, particularly in the context of the Belt and Road Initiative (BRI), has serious implications for China’s ambitions. India, with a GDP of USD 3.17 trillion and a military expenditure of approximately USD 303.18 billion, is the main player in this contestation. Given its proximity to China and its aspirations for regional power status, India poses a direct threat to Beijing’s national security. Despite India’s power, New Delhi considers the BRI a flawed initiative, and many South Asian nations are maintaining a middle ground between the two regional powers. In this power transition, India

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has adopted a “wait and watch strategy,” using a combination of restricted hard balancing, soft balancing, and diplomatic vexing with China.⁴

**Theoretical Framework**

The China–India rivalry may be manageable, but India’s difficulties with China are becoming increasingly challenging, posing a strategic headache for India on how to defend itself and pursue its national interests. According to John Mearsheimer, the simultaneous rise of China and India, along with the nascent “unhinged multipolarity,” has created a power shift in Asia.⁵ In the context of this article, the term balancing refers to concept wherein challenged states create defensive coalitions or acquire necessary military capabilities through internal or external means in response to a state striving for supremacy. Balancing can be characterized in three distinct types: (1) external balancing through alliance creation, (2) internal balancing through military buildup, and (3) limited hard balancing, which combines both.⁶ States use limited hard balancing strategies to guide their foreign policy approach when they lack the ability to counter a competitor state's geostrategic calculus.⁷

In the case of China–India power competition, New Delhi’s approach is based on limited hard balancing due to the power differential. This approach involves modest military buildup and informal alliances, such as strategic partnerships that allow for shared undertakings and resource pooling but not coordinated military operations or preemptive warfare.⁸ New Delhi’s response to China’s expansive BRI has been limited by India’s resource constraints and China’s growing alliance with Pakistan, which has further encircled India. As a result, due to the asymmetry in power, India has adopted a strong critique of the BRI, emphasizing strong normative principles. India has smartly articulated its concerns regarding the BRI by arguing that it leans toward colonization and poses a threat to “the rest.”⁹

In response to the concerns surrounding the CPEC and its impact on India and the wider region, New Delhi has been engaging in alternative diplomatic exercises to counter China’s intrusion in South Asia. Against this backdrop, this

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⁷ Paul, Wirtz, and Fortmann, Balance of Power.
article will explore how India has responded to China’s assertiveness through a strategy of limited hard balancing. These initiatives, which will be discussed below, are viewed as counterbalancing measures taken by New Delhi to address China’s aggressive approach, particularly in relation to the conditions attached to the BRI and CPEC.

**Neighborhood First: The Vicinity in Surveillance**

India’s unique geography, sharing borders with countries of varying sizes, powers, and resources such as Bangladesh, Afghanistan, Pakistan, Maldives, Bhutan, Sri Lanka, and Nepal, has made building lasting and trustworthy relationships with its neighbors a challenge. As former Prime Minister Atal Bihari Vajpayee once said, “You may alternate your friends, but you cannot change your neighbours.” To have a significant impact on expanding multipolar international politics, New Delhi must forge strong links between its domestic ambitions and foreign policy priorities. India’s political and economic growth hinges on a secure, stable, and peaceful environment, and as C. Raja Mohan has asserted, “no country can establish itself as a credible power in the neighbourhood or the world, without rooting hegemony in its region.” Accomplishing the goal of becoming one of Asia’s leading players will depend on India’s ability to maintain its backyard. As the leading proponent of offensive realism, Mearsheimer has argued that “the preeminent outcome a state can endeavor for is to be a regional hegemon and probably control another region that is adjoining and manageable over land. Once the mission of regional hegemony is accomplished, then it can seek to thwart states in other regions from replicating their feat. To put it differently, regional hegemons do not embrace rivals.”

Although India adopted an idealist approach to foreign policy soon after its independence, the 1962 war with China exposed the harsh realities of global power politics. However, it was the Indo-Pakistan War in 1965 that pushed

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13 Muni and Mohan. “Emerging Asia: India’s Options.”
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India’s foreign policy to prioritize security as the state’s primary national interest. According to S. D. Muni, one of the key elements shaping India’s approach to its neighbors is its diplomatic personality and approach.\textsuperscript{16}

Prime Minister Narendra Modi has pursued a dynamic regional diplomacy approach, seeking to engage neighboring states and build political connectivity through dialogue. Modi recognizes that foreign policy begins at a country’s borders, and his first step in implementing this was to invite all heads of the South Asian Association for Regional Cooperation (SAARC) to his inauguration ceremony.\textsuperscript{17} This gesture sent a clear message that he was committed to improving ties between India and its close neighbors. India’s continued pursuit of significant global power status depends on addressing the factors that have contributed to its declining regional influence over the past several decades.

Modi has made a deliberate effort during his visits to Bangladesh, Bhutan and Nepal to forge lasting relationships with these neighbors rather than using these visits merely as props for photo opportunities at SAARC gatherings or other bilateral summits.\textsuperscript{18} In fact, during his first trip abroad as prime minister, Modi chose to visit Bhutan, citing the “unique and special bond” between the two nations. While there, he emphasized his government’s goal of strengthening bilateral ties and referred to the relationship between the two nations as “Bharat to Bhutan” (B2B) relations.\textsuperscript{19}

During his visits to Bhutan and Nepal, Modi promoted the idea of trans-Himalayan regionalism and emphasized its importance as the cornerstone for the Asian politics, environmentalism, culture, and regional security.\textsuperscript{20} He successfully bridged the communication and confidence gap that had developed between India and these countries in previous years by promptly addressing the issues and clearly explaining India’s strategy toward them.\textsuperscript{21}

Modi’s diplomatic visit to Bangladesh, accompanied by West Bengal’s Chief Minister Mamata Banerjee, and the resolution and endorsement of the boundary dispute, via the Land Boundary Agreement, resulted in significant consequences,

\textsuperscript{17} Das, “India’s Neighbourhood Policy.”
\textsuperscript{18} Hein Kiessling, \textit{Faith, Unity, Discipline: The Inter-Service-Intelligence (ISI) of Pakistan} (New Delhi: Oxford University Press, 2016).
\textsuperscript{21} Das, “India’s Neighbourhood Policy.”
including the provision of a renewed USD 2 billion line of credit for the neighboring country. His initiatives received considerable praise for neutralizing the mistrust and chasm that had characterized the relationship between India and Bangladesh over the years.²²

New Delhi has also worked to provide new opportunities for the country’s northeast by fostering closer economic ties with Bangladesh. In January 2016, Bangladesh and India secured a tentative agreement for Bangladesh to obtain 100 MW of energy daily from the gas-based ONGC Tripura Power Company (OTPC) for Rs. 5.50 per unit, roughly equivalent to Bangladesh’s weighted average generating tariff (Taka 6.50). In response, Dhaka launched the process of authorizing access to the Chittagong port and proposed to implement the recommended rail connection between Agartala, India, and Akhaura, Bangladesh. Once finished, the current nearly 1,500 km road trip will be reduced to less than half that distance.²³

Prime Minister Modi made history as the first Indian prime minister since Rajiv Gandhi to visit Sri Lanka—a gap of nearly 28 years.²⁴ During his visit, Modi emphasized the significant historical and cultural ties between the two countries and expressed interest in a new beginning for their relationship.²⁵ Likewise, in December 2015, Modi assured war-torn Afghanistan of India’s support, pledging that India’s presence in Afghanistan aimed to contribute rather than compete, to build a better future rather than to initiate discord, and to rebuild lives rather than destroy a nation.²⁶

Furthermore, in April 2016 India and Maldives signed an action plan for defense collaboration, which Modi described as being inextricably linked to India’s national interests and the stability and security of Maldives.²⁷ Modi also promised the island nation the support needed to establish democratic institutions, and the two countries signed supplementary agreements to increase their defense coop-

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²² Das, "India’s Neighbourhood Policy."
eration in the areas of developing the SAARC satellite, conservation, tourism, and taxes.  

Modi’s outreach to India’s immediate neighborhood is part of his neighborhood-first diplomacy, which aims to counter Beijing’s “string of pearls” (SOP) policy, designed to thwart India’s rise in China’s proximity. By focusing on strengthening relationships with neighboring countries, Modi seeks to counter China’s designs in the region.

**Act East Policy: Containing the Dragon**

The shifting world order prompted India’s foreign policy to undergo several adaptations, including the Look East Policy (LEP), which the current administration has rebranded as the Act East Policy (AEP).  

This policy has been in place for about two decades. Countries that seek to reassess their foreign policy must do so under a specific set of domestic and international circumstances, such as an external cataclysmic event like the collapse of the Soviet Union or the gradual imbalance brought on by a rising power like China, which alters the balance of power in the international arena. States must adjust their policies to protect their national interests during such episodes of imbalance in the international power structure. Domestic events also affect international policy. India’s response to its economic problems and the emerging “unipolar moment”—defined by the demise of the USSR and end of the Cold War—was to deepen ties with countries in its larger eastern neighborhood. Therefore, the economic liberalization of the Indian economy in 1991 gave India’s foreign policy a new strategic identity.

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28 Rahul Roy-Chaudhury, “India’s Perspective towards China in Their Shared South Asian Neighbourhood: Cooperation Versus Competition,” *Contemporary Politics* 24, no. 1 (2018): 98–112. The SAARC Satellite, now the South Asia Satellite, is a geostationary communications and meteorology satellite operated by the Indian Space Research Organisation for the South Asian Association for Regional Cooperation (SAARC) region. The satellite was launched on 5 May 2017. During the 18th SAARC summit held in Nepal in 2014, Prime Minister Modi promoted the idea of a satellite serving the needs of SAARC member nations as a part of his neighbourhood first policy. Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, and Sri Lanka are the users of the multidimensional facilities provided by the satellite.


Since the LEP’s launch, there has been a major shift in the geopolitical landscape of the Indo-Pacific region, and the AEP is designed to help India adapt to this new reality.

The AEP, publicly unveiled in 2014, represents India’s latest effort to engage with its eastern neighbors and East Asia. It builds upon the LEP, with the aim of injecting greater dynamism and determination into India’s interactions in those regions. This new approach to India’s eastward involvement has significant security and strategic implications. Since the LEP’s launch, there has been a major shift in the geopolitical landscape of the Indo-Pacific region, and the AEP is designed to help India adapt to this new reality.

Compared to the LEP, the AEP stands out for its emphasis on a wider geographic reach and its strategic depth. This may reflect India’s recognition that a strategic vision for Southeast Asia is not complete without a similar vision for East Asia and the Asia-Pacific. The AEP seeks to establish trade corridors between, which are Association of Southeast Asian Nations (ASEAN) members. India has also launched various connectivity projects, including the Trilateral Highway Project, involving Myanmar and Thailand; the Kaladan Project in Myanmar; and the construction of a port at Sittwe in Myanmar.

India’s security and strategic partnerships with Southeast Asian countries are motivated by New Delhi’s concerns about China’s strategic intrusions into the region. While the AEP initially focused on economic and trade links between Southeast Asian countries and India, China’s increasing expansion and belligerence in the region—particularly in the South China Sea dispute—has caused New Delhi to reassess its strategic approach. India is wary of China’s encroachment into what New Delhi considers India’s “extended neighbourhood.” Therefore, the LEP and AEP have emphasized India’s bilateral and multilateral security and strategic cooperation with Southeast Asian nations. Through this policy, India is attempting to counter China’s expansionist moves in the region.

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38 Horam, “Contextualizing India’s Act East Policy.”
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International North–South Transport Corridor: Leveraging the Flow of Trade

Although the International North–South Transport Corridor (INSTC) was established in 2000, it was further expanded by its three founding members—Russia, India, and Iran—in 2002. This 7,200-km multifunctional corridor was envisioned to connect Mumbai, India, with Astrakhan and St. Petersburg, Russia, through Bandar Abbas and Bandar-e-Anzali, Iran, before traversing the Caspian Sea. The project has experienced many challenges since its inception, but New Delhi is highly interested in the venture as it would enable India to increase its energy and economic relations with Central Asia and Russia.

The project received a significant boost with the signing of the Tripartite Agreement on Transit and Trade between India, Afghanistan, and Iran in May 2016, which mandated the progression of Chabahar port in southern Iran as the precursor to the project. Since 2002, ten additional nations have joined INSTC—Azerbaijan, Ukraine, Armenia, Turkey, Belarus, Tajikistan, Kazakhstan, Syria, Kyrgyzstan, and Oman—with Bulgaria joining as an observer. The strategic dimension of INSTC is that it will reduce transportation costs by 30 percent and transit time from about 40 days to 20 days between Moscow and New Delhi.

The two countries at the ends of this trade corridor—Russia and India—have agreed to expand their yearly bilateral commerce by USD 5 billion over the following four years, resulting in economic growth for all the countries positioned along the corridor, not just those at the terminal ends. It is imperative to mention that the economic investments by India along the corridor are creating geopolitical opportunities for New Delhi, which might present obstacles for China’s designs in Central Asia. Considering India’s abiding geopolitical goals in the region, energy security tactics, and competition with China, the INSTC offers a way for New Delhi to expand its regional influence.

Necklace of Diamonds: Offense Is the Best Defense

Instead of adopting a passive approach toward Beijing’s SOP policy, New Delhi has embraced the strategic offensive principle of war—(offense is the best defense—and has begun developing its own “necklace of diamonds” strategy. This approach, also known as the counter-encirclement policy, aims to encircle China by expanding Indian naval bases and forging alliances and partnerships with strategically located nations in the Indian Ocean region (IOR).

In August 2011, while speaking to a think tank about “India’s Regional Strategic Priorities,” India’s former foreign secretary, Lalit Mansingh, coined the phrase necklace of diamonds to describe India’s strategy of “doing everything it is supposed
to do in terms of protecting its interests. . . . Just as the Chinese are building port facilities, we are tying up naval cooperation with almost all the major powers of the Indian Ocean region.” ⁴⁰ Although analysts often use the phrase to describe India’s strategic approach of countering China’s growing influence in the IOR, it has not yet been used in official government discourse.

Concerned by China’s aggressive maneuvers, including what Tom Miller, managing editor of the China Economic Quarterly, describes as Beijing’s design to tighten a maritime noose around the neck of India: the SOP policy.⁴¹ India has increased its presence in the IOR and established strong security relations with regional countries. New Delhi sees India as the net security provider in the region and views any outside influence as a threat to national security. To counter China’s moves in the IOR, New Delhi has established naval bases and forged partnerships with strategically located countries in the IOR. India’s first focus was on establishing a presence near the Strait of Malacca, a critical strategic intersection.⁴² Additionally, India’s involvement in building the Sabang port in Indonesia is regarded as a counterbalance to China’s ambitions in the region.⁴³ India also signed a bilateral agreement with Singapore allowing for the deployment of the Indian Navy at Changi Naval Base. In addition to Singapore, India is forming strategic and maritime alliances with China’s neighbors, such as Japan and Mongolia, which are also involved in border disputes with China.

**Indo–US Alignment: Marriage of Convergence**

One of the most significant developments in post–Cold War South Asia is the growing convergence of Indian and US interests, which were previously hindered by their differing perspectives on security and geoeconomics during the Cold War.⁴⁴ The earlier inability to coordinate political and economic agreements led to terms like *estrangement*, *antagonism*, and *enmity* being used to describe their

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⁴⁰ Abhay Kumar Singh, “Dattatreaya Nimbalkar asked: Why has India’s ‘necklace of diamonds’ strategy in the Indian Ocean Region not been as successful compared to China’s ‘string of pearls’ strategy?,” Ask an Expert, 16 March 2021, https://idsa.in/.


relationship..\(^{45}\) However, as the Cold War ended, the reasons for the schism diminished, and ties between the two countries developed to the level of strategic collaboration in nearly every area, including economic, trade, nuclear, missile technology, and defense cooperation.\(^ {46}\) Despite both countries being well-established democracies, they endorsed opposing blocs during the Cold War, and thus, liberal justifications for their alignment are insufficient. Instead, the perception of threat strongly supports their closer ties.\(^ {47}\) According to Harsh V. Pant, the Indo–US civil nuclear deal of 2008 was a “pinnacle of ties” between the two and illustrated “India’s capabilities as a credible nuclear power that deserves to be part of the global nuclear system.”\(^ {48}\)

While distant from the US mainland, China still poses a threat to the United States due to Beijing’s strategic aspirations, while for India, China’s geographic proximity, border issues, and expansionist policies make it an imminent threat. Officials from Washington and New Delhi publicly claim that China is not a significant factor in this new alignment; however, it is clear that both are worried about China’s trajectory due to its expanding regional and global position. However, India had already provided the China threat as the rationale for nuclear testing in 1998. India’s foreign policy is bracing for this challenge with its new rapport with the United States, which shares the same concerns about China’s rise.\(^ {49}\)

During Barack Obama’s presidency, the strategic partnership between India and the United States continued to function almost intact as a linchpin of the US “Pivot to Asia” strategy. Under the Trump administration, Washington’s approach to the region gained greater traction, explicitly rebranded as an Indo-Pacific strategy, with New Delhi being accorded even greater significance and a flurry of initiatives aimed at enhancing Indo–US defense capacity in the region.\(^ {50}\) Washington has increasingly considered New Delhi as a potential strategic partner, with the relationship being strengthened through initiatives such as the Quadrilateral Security Dialogue (Quad), the 2+2 Ministerial Dialogue, the India–US Nuclear Deal, the Indo–Pacific region’s combined US–Indian strategy, and Trump’s

\(^{49}\) Dar, “Re-alignment and Changing Power Structure,” 72.
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proposal for the Group of Seven (G7) to be extended to include India and other economies. This collaboration includes military, technology, and logistics acquisition agreements, such as the Logistics Exchange Memorandum of Agreement, General Security of Military Information Agreement (GSOMIA), and Communications Compatibility and Security (COMCASA), as well as the Basic Exchange and Cooperation Agreement for Geospatial Cooperation (BECA), which facilitates the exchange of geospatial intelligence and the shared provision of logistical assistance and services.

The two countries have also signed the Industrial Security Annex to the GSOMIA and the Helicopter Cross Decking Agreement (HOSTAC), enabling the United States to exchange sensitive data with Indian defense industries. In 2018, the United States approved India’s application for Strategic Trade Authorization Tier 1 (STA-1), removing obstacles to the export of advanced US military and aerospace components. This improved collaboration has also led to increased organizational coordination between the two countries. For instance, the Trump administration sent two smart surveillance drones and cold-weather gear for Indian soldiers during a crisis at the India–China perimeter in 2020.51

Moreover, a novel quadrilateral dialogue described as the “West Asian Quad” was established in October 2021 and was also referred to by the acronym (I2U2) by Israel, India, the United States and the United Arab Emirates, where India is the linchpin for cross-regional cooperation framework endeavor.52 Recently on 23 March 2022, India sign up for the Indo-Pacific Economic Framework for Prosperity (IPEF) setup together by India, the USA, and Japan.53

Additionally, the Biden administration spearheaded the establishment of the West Asian Quad in October 2021—referred to by the acronym I2U2, representing its member states Israel, India, the United States, and the United Arab Emirates. India serves as the linchpin for this cross-regional cooperation framework endeavor. On 23 May 2022, India signed up for the Indo-Pacific Economic Framework for Prosperity (IPEF), established by India, the United States, Australia, Brunei Darussalam, Fiji Indonesia, Japan, South

52 Carmack, et al., India-US Relations.

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Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and Vietnam.54

Reaching Out to Friends in the Ocean: Malabar Exercise, Japan, and Australia

Malabar is a multilateral war-gaming naval exercise that was started in 1992. In its original format, it was a bilateral exercise conducted in the Bay of Bengal to evaluate various naval tactics. Since then, other nations have been invited to participate, with Japan being a permanent member. The exercise includes fundamental training, submarine tracking, and maritime interoperability and showcases India’s influence and capability in terms of maritime security to its partners.55 Japan’s entry into the Malabar Exercise in 2017 not only provided the exercise more momentum but also raised security concerns for Beijing due to the geographical aura of the three nations vis-à-vis China in the IOR.56 India exchanges maritime information bilaterally with friendly foreign nations to establish maritime domain awareness in the Indian Ocean. In an endeavor to contain Chinese influence in the Indo-Pacific region, Australia participated in the Malabar Exercise in 2020 at the request of India, and has participated every year since—meaning all four members of the Quad now participate in the exercise.57 Given the increasing tension between China and the Quad countries, particularly from New Delhi’s standpoint due to China’s aggression toward India, the Quad’s participation in Malabar will play a key role in thwarting Beijing into the warm waters of the IOR as well as the South China Sea.

India has faced numerous challenges in the face of China’s rise, including regional security, economic and trade ties, and her relationships in the context of global governance. To counterbalance China, India has formed partnerships such as the Indo-US alignment and the Quad bloc with other countries to increase security and cooperation in the procurement of advanced weaponry. Rather than challenging China directly, Australia and India are collaborating within the Quad framework to maintain regional stability and development. Both nations are in-

interested in strengthening international institutions to promote their joint efforts without threatening China. India engages with Australia and Japan through the India-Australia-Japan-Tripartite Mechanism and addresses China’s aggressive posture in the IOR and the South China Sea through the Australia–India–France trilateral, which also addresses security concerns and commits to responding to challenges, including those posed by China. However, Beijing views the Quad and similar such relationships as a way to contain China.

**Chabahar Port**

The construction of Chabahar port in Iran has garnered renewed interest as a potential hub of international trade and a major arena for geopolitical competition. India has a significant stake in the port as New Delhi sees it as a means of accessing Central Asian and Afghan markets without having to traverse through the land routes of India’s adversary, Pakistan. The port is also viewed as a way to strengthen the relationship between India and Iran and as a new proposal to counter Chinese influence in the Indian Ocean via Pakistan’s Gwadar port. In addition, the project could balance out the growing Sino-Pakistani alignment.58

Chabahar port is located in Iran’s southeastern Baluchistan and Sistan province, with unique qualities that attract regional and foreign powers. It is the only deep-sea port in Iran with unmediated access to the ocean, and is strategically located on the burgeoning INSTC, making it a potentially significant commercial hub in the IOR—particularly given its geographical adjacency to countries like Pakistan, Afghanistan, and India. Furthermore, the fact that Chabahar is exempt from US sanctions makes it easier to conduct international transactions.59

India and Iran began working on the Chabahar port in 2003, but their interaction did not take off until 2016 when Prime Minister Modi and Iranian president Hassan Rouhani announced that India would invest USD 500 million in upgrading the port.60 Their renewed engagement was largely influenced by Chinese president Xi Jinping’s proclamation that China would begin its colossal BRI infrastructure game plan in 2013. New Delhi’s involvement with the Chabahar port is thus an essential facet of maintaining Indian influence by enhancing its regional

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posture and leveraging an Indo–Iranian collaboration to counter China’s encirclement and primarily Sino-Pak alignment.

**Sagarmala Project: Waves of Influence**

The Sagarmala was announced by Prime Minister Vajpayee on 15 August 2003, but was put on hold during the United Progressive Alliance (UPA) administration until being resurrected under Modi’s leadership. The project aims to provide a comprehensive policy addressing of industry, trade, tourism, and transportation by establishing a standard policy layout for port facilities, controlled by the federal government and nonmajor ports, possessed by the states. It requires the establishment of ten coastal economic regions (CER) along India’s vast 7,000-km coastline to establish production bases supported by inward links through various freight alternatives, including rail, road, and inland waterways for efficient cargo transfer from ports.

This framework proposes the construction of captive industries, port-based industrial parks, and ancillary facilities such as logistics parks, ship recycling, warehousing, shipbuilding, and ship repair. Enhancing connectivity between India and the rest of the world has been one of the top priorities of the Modi administration, reflected in its foreign policy efforts. The majority of domestic and international projects aim to build infrastructure that will improve regional and global connectivity. The Sagarmala project prioritizes sea routes and infrastructure development over road and rail. The government has pledged to complete 150 projects under this program, with a budget of approximately USD 54 billion. The Sagarmala Development Company was established at the initiative’s outset to assist various stakeholders in developing their projects.

The Sagarmala Initiative has the potential to provide India with several benefits, but its successful implementation is crucial. India’s vast coastline has historically served as a major transportation route for goods, services, and people. However, while the coastline has changed over time, its infrastructure has not kept up. Improving infrastructure and associated services can streamline trade processes and reduce costs, allowing India to fully utilize its coastline and improve its trade rankings. Additionally, the Sagarmala project aims to develop a connectivity and infrastructure network that could link India with other coastal regions, strengthening India’s presence in the IOR and thwarting China’s BRI in the region.
Transforming Jammu & Kashmir into a Union Territory: A Geostrategic Move

The CPEC is considered the flagship program of the BRI, passing through Pakistan-occupied Kashmir (POK), a region over which India claims sovereignty. This is a major contributing factor to New Delhi’s boycott of the BRI. India expressed dismay about China’s reservations pertaining terrorist activities emanating from Pakistan and its partnership with Islamabad to establish the Diamer-Bhasha Dam in POK, which New Delhi asserts infringes upon India’s territorial integrity and sovereignty.

To balance the China–Pakistan partnership and combat the rising insurgency and terrorist activities within, the Modi government abrogated Article 370, the special provision conferred to erstwhile Jammu & Kashmir, creating two separate union territories in August 2019: Ladakh and Jammu & Kashmir. The Ladakh map now includes the Shaksgam Valley, which Pakistan illegally handed to Beijing in a 1963 boundary agreement to balance India, and the Aksai Chin region, which has been under Chinese control since the 1962 Sino-Indian War. The newly created union territories and associated maps were ratified by the Indian Parliament.61

In addition, to counter a two-front war scenario, the Indian Air Force has built a three-kilometer-long airstrip on the National Highway Jammu-Srinagar (NH-44) in the Bijbehara area of Anantnag district in Jammu & Kashmir, providing swift air access. The expansion of infrastructure to increase connectivity has been a top priority for the Modi government.62 The plans are to construct 20 tunnels, totaling 32 km in length in Jammu and Kashmir, and 11 tunnels, comprising 20 km in Ladakh, providing all-weather connectivity to the border areas and playing a vital role in logistic support in case of any external threat.63

Conclusion

China’s rise, accompanied by its aggressive posture in both the Himalayas and maritime regions, not only raises questions about encircling India but also regarding containing India’s influence in its own neighborhood. Beijing’s growing power and asymmetry with India in matters of defense and economics are the main

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strategic concerns for New Delhi, which must safeguard itself while pursuing its interests in an unbalanced strategic landscape. In response to Beijing’s assertiveness and New Delhi’s realization that India cannot confront the whole challenge on its own, India has preferred to intensify its links with partners that can support and enhance Indian prowess, provide an alternative within the Indo-Pacific, and maintain the advantageous power posture in the region.

As change is the law of nature, it applies to geopolitics as well. Beijing aspires to carve out what it believes is China’s “rightful place” for itself as a middle kingdom and has forged closer economic and strategic ties with like-minded states like Pakistan. These “iron brothers,” China and Pakistan, have achieved interoperability in the military sphere, which is a concern for New Delhi. Moreover, India is wary of the CPEC, which links the Pakistani port of Gwadar to China’s Kashgar, as New Delhi claims the route runs through Indian territory, and the fear of a greater Beijing’s encirclement strategy regarding India’s status in the Indo-Pacific construct.

In response to China’s growing hegemony in Asia, including South and Southeast Asia, New Delhi is busy devising a counterbalancing approach with countries that can check China’s power. Given the power of the BRI, India considers it a challenge but has yet to calibrate its response, leaving many South Asian countries hedging between these two powerful regional players. Therefore, India has resorted to a policy that combines varying levels of balancing in this power transition.

To this end, in September 2018, India and the United States signed the Communications Compatibility and Security Agreement (COMCASA) to share high-end encrypted communication and satellite data, provide a legal framework for defense technology transfer, and allow the Indian military to gain a better understanding of its own backyard, which is experiencing an upsurge in Chinese activities. However, in the aftermath of the incidents in Doklam, Galwan, and other points along the borders with China, there is an apparent change in the posture of India’s foreign Vis a Vis China especially after the Galwan issue. The conflicts in Galwan, New Delhi’s posture toward Beijing has changed, and India’s foreign policy vis-a-vis China has become more assertive. India has placed a greater emphasis on military modernization and engagement with the Quad reflects its growing recognition of the need to adapt to a rapidly changing geopolitical landscape and maintain its strategic interests in the region. As China continues to assert its power and influence, India will likely continue to prioritize its military modernization efforts and strategic partnerships with like-minded countries in order to counterbalance China’s rising influence and maintain its own position of strength.
India and China’s contestation has intensified, and the quest for supremacy has gained fresh vigor. Additionally, regarding the Chinese activities in the IOR New Delhi is on its toes to act. To counter Chinese activities, New Delhi’s strategy is two-dimensional in nature: first, concurring regional states like Bangladesh, Bhutan, Nepal, and so forth should be engaged within New Delhi’s orbit and build strong ties with them and second, build its own way of economic, naval, and diplomatic equations in summation to steer the ship of the region because after all, it is the matter of who rules Asia? Furthermore, as the new Cold War front lines become increasingly apparent and the Indo-Pacific area becomes the center of geopolitical unrest, South Asia’s role has become more crucial.

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