



Regional security cooperation in South Asia: A case study of India and China

Shabab Sarvar

Department of International Relations, Former Guest Faculty, University of Delhi, Delhi, India

Abstract

The relationship between India and China has been driven by the ambivalent mixture of common yearning for the respect as prominent international actors and mutual rivalry that their aspiration for power created in overlapping sphere of influence, which led to the many wars posture and furthered protracted contest between them. Sometime economic studies of relations get merge with the analysis that focuses on strategic and security dimension. This paper has analysis of realist skepticism and liberal optimism, pitting different theoretical and disciplinary schools against one another to drive concluding remark. This paper further assess to what extent deepening economic integration and rising economic interdependence also foster cooperation in other areas, such as security and vice versa and how far realist considerations allow commercial ties to develop and to what extent, it fosters security cooperation in the region.

Key Words: India, China, strategic, security cooperation, trading states

Introduction

China and India have unleashed a diplomatic charm offensive in Asia to satisfy their growing economic needs. Delegations fly back and forth between Asian capitals to broker several new trade agreements and business deals. In their wake, Chinese Indian engineers are laying out the infrastructure necessary to carry the expanding trade flows. The economization of China and India's regional diplomacy has created new security challenges. In many parts of the region their economic ventures have come under threat from organized criminality, terrorism, and domestic instability in partner countries, not least in their immediate neighbourhood. In the corridor of states stretching from Pakistan to Myanmar, Chinese and Indian economic interests have been confronted by various security risks. This area, where mainly non-traditional violence draws strong concerns from both sides, has for a long time been an arena for China-Indian rivalry

This article contest, to what extent growing commercial interests in the region will lead to enhanced security cooperation between China and India. My aim is to test empirically whether trade and the increasing interest in a stable neighbourhood will mitigate the "protracted contest," highlighted by John Garver. Will India and China join forces to promote security and to deal with the unrest in neighbouring states? Four assumptions are central here to study. First, it is assumed that economic security has become central element in China and India's neighborhood policy. Second, as a consequence of their increasing economic interests the two countries have become more confronted by nontraditional security challenges. Third, it is presupposed that this similarly growing exposure has led to more regional security interdependence. Finally, this interdependence can be expected to lead to more security cooperation in the region.

The idea of security interdependence taps into the Copenhagen school of international studies, in particular the two key concepts of regional security complexes and securitization. Defining a regional security complex as a geographically restricted set of states whose security interests are so and intertwined and interlinked that

solutions cannot be achieved apart from one another, Barry Buzan approaches Nepal, Bhutan, and Myanmar as insulators and buffer states that separate the two larger East and South Asian regional security complexes, mainly because of a lack of connectedness between them, in which, Pakistan is perceived as only a part of the South Asian complex. Given the growing logistical links, crossborder commercial activity, trade, investments, and flows of people, threats as well as can be expected to travel more easily over short distances. In this regard, consideration is given to what extent a subregional security complex is emerging as a consequence of the similar challenges that Beijing and New Delhi are facing due to increasing connectedness and the growing nontraditional security threats.

This in turn brings us to the pattern of security interdependence. Three types of security complexes can be classified and discussed in this context. At the negative end, lie "conflict formations", which are driven by threat perceptions. Security interests are perceived as a zero-sum-game in which self-help and the quest for creating a favourable balance of power are decisive. However, cooperation is absent because of the fear of losing influence. This is the setting that bears the most resemblance to the idea of a protracted contest that Garver and most other students of Sino-Indian relations have argued. Security complexes may also take the shape of security regimes, where the security dilemma is somewhat mitigated and cooperation is possible. At the other end of the spectrum, rests the security community in which threat perceptions have completely disappeared.

According to the Copenhagen school, the evolution from "conflict formation" to other stages depends mainly on the type of securitization. Although security interdependence may have become an urgent reality, it still has to be recognized as such before it can lead to cooperation. On the one hand, similar security interests between states do not necessarily have to be approached as common interests; on the other, common security interests may be accepted but still not lead to security cooperation because in the hierarchy of security objectives they are still ranked below the wish to

maintain diplomatic, military, or economic dominance vis-à-vis another state. In order to assess the prospects for cooperation between China and India in their common neighbourhood, the extent to which recent securitization of regional economic interests leads to a desecuritization of their mutual interaction in this area must be measured.

While Ole Wæver rightly stresses that political discourse should be a key focus in such an assessment, this paper aims at striking a balance between discourse and deeds. In their most primitive form “joint security interests” could take the shape of a joint willingness to repress low-level risks such as criminality. New Delhi and Beijing could also jointly decide to support local regimes for suppressing armed resistance and rebellion. Yet, the evolution from a conflict setting to enhanced security cooperation needs to go further; the quality of collective regional security efforts should also be assessed by looking at the extent to which India and China are prepared to put pressure on local elites to foster more comprehensive security, that is, an inclusive political transition in which all rival parties are involved, as well as the tackling of economic and political mechanisms at the basis of grievances and violence.

In a competitive context where neighbouring regimes are considered precious allies, sovereignty tends to be perceived as sacrosanct and above all a comfortable premise for strengthening goodwill and influence among political leaders. In such a situation it is attractive to neglect that those political fiends are often more a part of security problems than of their solution. The quality of cooperation, rather than cooperation as such, will reveal whether China and India succeed in desecuritizing their bilateral relations in regional affairs for the sake of securing their short- and long-term economic interests. In the following sections, I elucidate how China and India have expanded their influence in their shared neighbourhood, how this transformation has rendered them more vulnerable to various nontraditional threats, and to what extent they have grasped these challenges to join forces with regard to regional security issues.

Indian and Chinese Interests

Myanmar, Nepal and Pakistan have the huge untapped natural reserves in the region. India and China want to maximise their economic and strategic interests to get fulfilled for their comprehensive national development. In doing so China have signed several agreements with Myanmar, Nepal and Pakistan to harness strategic interests. Hence both countries, India and China want to turn the subregion into the transit corridor for the facilitation of cross border trade. Furthermore, Tibet and Xinjiang have the vital resources to supply the raw material to factories, located near the Chinese coast. On the Indian part, North eastern region of India has the important vital reserves like fossil fuels, uranium and various mineral ores, very significant for the national growth and domestic instability in the region. Therefore, this region became very important for their economic security.

Belt of Insecurity

Given the increasing vulnerability of India and China, what are risks involved for the economic security for India and China. As mentioned earlier, there is proliferations of organised criminal activities in the border areas, especially due to sharing of the porous border of Nepal, Bhutan and

Myanmar. These border areas are turning into transit zone for smuggling. Drugs are being largely imported from the Myanmar border area, and across the border of Yunnan, Manipur and Mizoram, rare species of animal, gems and timber are being smuggled by the armed gangs. India is struggling to deal with criminal activities, arising out of open border with Nepal. Here armed gangs are involved in the human trafficking like women from Nepal, arms and drug smuggling. Further, new routes have identified to smuggle narcotics to China through India and Nepal border. To stop it, sometime security forces from both the countries, faces aggression and sometime they were killed by or from these rebel group. India further gets anti-India sentiment group in Nepal, fuelling insurgency in the nearby region. Naxalite problem became most challenging problem for some time operating from the soil of Nepal. India also has fear of security threat emanating from the Pakistan's radical Islamist groups and ISI coming from Pakistan and entering through the open border with India.

Situation become more worse when organised criminals gets mingle with armed rebels to get their interest done from the ruling dispensation of both the countries. India further faces security threat for the its “kaladan Project”, connecting Indian state, Mizoram to the Myanmar port of Sittwe, passes through the unstable region of Myanmar, Bangladesh and India. China is seriously facing the security challenges from unstable region like Baluchistan and Waziristan of Pakistan. In these areas, Chinese government has massively invested and developed infrastructure, faces threat from the local rebel groups. These groups argued that Chinese investment in these areas is benefiting political elite of Pakistan, not the common people of the region. China's Xinjiang Uygur Autonomous region, has problem of alleged repression of Muslim Uighur Minority Community. However, India and China plan to develop a logistical corridor through this region to connect with the region of Indian Ocean and Central Asia.

China further faces problem from Tibetan refugee staying in Nepal and neighbouring countries. The strip from Irrawaddy to the Hindu Kush is fraught with peril. Indian and Chinese economic interest gets hampered with rising constant security threats in the region. India and China share similar economic and security interests, but do these share interests, together with increasing risk also outlined in the preceding, also lead to similar security interests? This turned out this is indeed the case. The pervasive religious extremism in Pakistani is the common concern for the both the nations and Bhutan, Nepal and Myanmar are incapable to control the volatile mixture of crimes of rebellion and criminality.

For both the nations, similar security interests have been classified into the three broad objectives: first, both nations need to protect their citizen and investment projects from the attacks from the rebel group, second to strengthen the watch on the intraregional movement of crime, terrorism and rebellion and third one is China and India need the capable and stable states to allow economic expansion and development of underdeveloped districts. It has been seeming that India and China share the similar security and economic interests but not common interests simultaneously.

Security interdependence has thus become a pressing reality and resulted in a new subregional security complex. Instead of a cushion between the two East and South Asian security complexes, the increasing permeability of the traditional

buffer states has blurred the barrier between the two regional security complexes. China and India must be ever more watchful of the situation in their shared neighbourhood to maintain domestic stability. Even from inaccessible states like Bhutan, growing cross-border travel, smuggling, and trade will make it easier for rebels to penetrate onto Chinese or Indian soil. Economic interests have become a catalyst for expanding security interdependence. Myanmar, until recently negligible, has turned into a priority for New Delhi's foreign economic policy, as has Nepal for Beijing. In the past few years, both countries have become besieged by Chinese and Indian traders and investors. These interests go beyond the traditional realist appraisal of scholars like Garver. Neighbouring states can no longer be considered solely as devices for old-fashioned balancing strategies as their interior stability in relation to the maintenance of regional balances of power becomes more significant. Nevertheless, it remains to be seen whether the new security interdependence will also lead to security cooperation in the region.

Seeking security under uncertainty

Non-traditional threats and transnationalization of informal violence have rendered problematic the conventional realist assumptions about regional security and require a resecuritization of regional policies. Securitization means that security issues become recognized as threats and thus form the starting point for conceiving security policies. The question, though, is whether this resecuritization is taking place. Are India and China's regional threat perceptions and security objectives shifting from counterbalancing each other to tackling nontraditional threats and maintaining economic security, and, consequently, is this evolution allowing them to translate similar security interests into common policies and cooperation? This section assesses whether this resecuritization has occurred, acknowledging that such an evaluation must focus both on political language and policies as variables.

The combat against terrorism has become one of the focal points in Sino-Indian cooperation since long time. In 2002, the two countries initiated a bilateral counterterrorism mechanism to fight terrorism. Further, India and Russia also came on board to endorse the joint communique on counterterrorism with all coordinated efforts in the region. India wants to fight terrorism and extremism collectively in its all forms. In 2008, Indian Prime Minister Mr Man Mohan Singh had word with his Chinese Counterpart, Wen Jiabao to exert pressure Pakistani government to stop sponsoring Islamist Terrorism. Now current Indian Prime Minister Mr Modi also buttressed the need of uprooting terrorism from the Kashmir and raised the issue at many multilateral forums multiple times. Moreover, both sides also discussed the role of Afghanistan, Bangladesh and Nepal as becoming incubator of terrorism but both could not arrive on common position. These neighbouring countries are becoming the stepping stones for the many terrorist groups. Irony is that Beijing remained opposed to these internationalisations of such problems like terrorism and extremism but hardly seems to take any concrete step to end it.

With regard to the criminality, both nations have come on board to sign several agreements to fight drug trade happening through mainly Myanmar route. In 2002 and 2003 Chiang Rai declaration on drug took place. In 2006 similar strategy was also opted for fighting the narcotics

trade in the golden triangle. In many of its efforts, China prefers Carrot and stick approach, not concrete actions. However, India has opted to fencing its border with the Myanmar to stop the illegal trade.

In the long term, a secure environment depends on stable governments rather than stepping in where neighbouring states fail. Several conditions are necessary for enhancing political stability. First, it demands a comprehensive rapprochement between the central political elites and political mutineers. Second, the central governments need to raise their legitimacy among the 154 regional security cooperation many societal entities. This implies transparent public finance and transparent governance. Notably, these prerequisites are more and more recognized by Chinese and Indian opinion leaders, and the two countries have the leverage to make a difference. But are they prepared to make use of it? Apart from India's exclusive posture toward Nepal and Bhutan, China and India have traditionally insisted on not interfering in each other's domestic affairs. Historically this principle accorded with the struggle against "imperialist practices."

It also served as a diplomatic modus operandi for improving trust and confidence in neighbouring states. Beginning in the late 1990s, the primacy of sovereignty became a tool for economic diplomacy. Refraining from touching on delicate political issues facilitated business with many countries, especially when desiring concessions for natural resources or government contracts. Currently, the principle of noninterference is challenged by the regional context, where internal policies can have serious external consequences. China and India thus face a dilemma. Sticking to their traditional standards could aggravate the tensions between their political partners and rival factions. Distancing from them might encourage those same elites to turn to other, foreign friends. The degree to which China and India succeed in arriving at a common position on this challenge is a key determinant in assessing their cooperation in regional security affairs.

With regard to Nepal, India always shares the security concern with the open and porous border. India had already bore the brunt of Maoist faction, carried out the anti-India activity. After 1972, when Birendra got succeeded to the throne in Nepal, he started playing China card against the India. King Gyanendra also opted the policy which were against the India in 2005 and equidistance policy. After deteriorating relations with Nepal, China found the chance to gain influence in Nepal, so he supported king during coup in Nepal. Hence King Gyanendra tried to force India into a more conciliatory position toward China and Pakistan. Nepal also gave lot of favour to China by closure of Dalai Lama's representative office in Kathmandu and also made close the Tibetan welfare office. Further, it opened Lhasa-Kathmandu Road, which has never been opened after its construction since long time.

China's diplomatic manoeuvring has been to deal with the government of Nepal irrespective of its format or political base. "Unlike the Indian establishment which talks different to different political parties, China suggested the Nepali leaders to improve the livelihood of the Nepali people through maintaining economic development and restoring a sort of permanent peace in the country." Interviews with Chinese experts and officials have revealed that China's indifference about who rules stemmed from the belief that whoever was in power would be obliged to foster contacts

with China to check India's dominance in the Nepal and region.

Historically, Nepal has been considered a buffer state separating China from South Asia. Nepal is now becoming a porous corridor as natural barriers are overcome. More than ever, China and India have a joint interest in maintaining order and stability; yet, the domestic turmoil has been addressed in different ways. New Delhi, still confident of its influential position as a commercial gateway, has sought to defend its security interests by actively interfering in Nepal's political transition. Beijing has been well aware of the fact that regardless of who might rule the country, its leader will try to reduce Nepal's dependence on India. This has given China enough certainty that its security concerns, such as Tibetan refugees, will be taken care of. Consequently, it has taken a more ambivalent attitude vis-à-vis Nepal's political struggles while, at the same time, continuing to alter the economic balance of power. Impeded by distrust, China and India still deal with security challenges unilaterally: China with Tibetan exiles, India with the Maoists and other insurgents in the south of Nepal. The pressure for gaining influence means that the underlying economic and political dynamics of Nepal's continuing disintegration are scarcely addressed, and even less so the challenges that lie ahead.

In connection with Pakistan, in the view of Chinese and Indian officials, main challenge to Pakistan to stop alarming Talibanization of Pakistan, which will lead to domestic and political instability in country and region also. This instability will in turn lead to unstable region for the security and economic cooperation. As per the leading experts, it is viewed that radical Tibetan secessionist in India, Nepal and Pakistan take the route of violence to meet their demand. Whereas it does not support India's territorial claims, Beijing moved from overt support of an independent Kashmir to consequent appeals to both sides to face the need for peace and stability above all. In its hierarchy of interests, Beijing still does not want to see India strengthening its grip on Ladakh, but over the past years, the need for stability moved higher up on the agenda.

Despite the fact that a looming collapse of Pakistan resulted in a convergence of direct security interests, China and India have pursued contradictory policies. While India perceives the Pakistani military establishment as a part of the problem, the Chinese government approaches it as a part of the solution. A Chinese scholar has stressed, "Although we talk to several parties in Pakistan, we cannot deny that the armed forces are likely to remain a pivotal partner for China to defend its security interests in the coming years." A Chinese official has added that, "for the coming period it is impossible that a civilian political government will be able to steer the army's policies in the region. Any government will rely on the army to restore domestic stability." China's terms are considered good with Pakistan Army to maintain good relations with Pakistan, against the Indian will. These pragmatic considerations explain China's continued support of the Pakistani military.

This does not mean that the People's Republic has bet on one horse. In the run-up to the national elections in 2008, the Chinese embassy in Islamabad established informal contacts with the two main opposition parties, the Pakistan People's Party (PPP) and the Pakistan Muslim League. After the parliamentary elections in February 2008, which led to the defeat of President Musharraf, China was one of

the first to offer support to the new government. Immediately after the appointment of the PPP's Yousuf Raza Gilani as Pakistan's prime minister and Shah Mehmood Quresh as the minister of foreign affairs, they were publically congratulated by their Chinese counterparts. Yet, at the same time, China reaffirmed its privileged relationship with the military.

China's security interests in Pakistan are served in the same way as those in Nepal: it combines a close military relationship with political ambivalence. Knowledge of the complex nature of the domestic instability in Pakistan has grown, as has China's economic and diplomatic influences. Nonetheless, China is unwilling to side with India on terrorism or to address the root causes of violence and the long-term risk of a collapsing state. In part this is because Beijing is not confident that pressure will help in any case, and partly because it does not want to lose Pakistan as a pawn on the South Asian chessboard.

In terms of public declarations, Chinese and Indian positions have gone through a double convergence. First, Beijing and New Delhi have come to share the idea that the military junta has to commit itself to the seven-step path providing a new constitution and a multiparty democratic general election in 2010. Both states have expressed their support for reconciliation with the main opposition groups, including Aung San Suu Kyi's National League for Democracy. In September 2003, for example, President Hu Jintao made clear that "China hopes Myanmar will remain stable, its ethnic groups will live in harmony, its economy will keep growing and the Myanmar people will live in happiness." The Indian Ministry of Foreign Affairs pleaded for "transition to democracy," which "offers the best possibilities for addressing problems both of political stability and economic development."

Second, they have arrived at the same position with regard to the way the military regime has to be approached. "Quiet diplomacy" is the channel through which the two countries convey their expectations. They also requested the United Nations take the lead in pushing the generals, within a narrow mandate and without intimidating sanctions. The corresponding diplomatic discourse left nothing to the imagination. Chinese politicians have been determined to respect Pauk Paw, the term that expresses the traditional Sino-Burmese friendship: "China opposes outside interference in Myanmar's internal affairs and all must respect Myanmar's sovereignty," President Hu Jintao affirmed at a meeting with Senior General Than Shwe, in April 2005, "China will never change her stand concerning Myanmar . . . China accepts that Myanmar has the right to choose and practise the most suitable system." At a meeting of the Greater Mekong Subregion in July 2005, Prime Minister Wen Jiabao stressed: "China will continue to promote cooperation with Myanmar, no matter how the international situation fluctuates."

When India's External Affairs minister Natwar Singh visited Myanmar, he underlined his country attached "very high priority to its relations with Myanmar as a valuable neighbour and strategic partner" and that national reconciliation could continue with "the objectives set by Myanmar for itself." Likewise, during a visit to Myanmar, his successor, Pranab Mukherjee, made clear the country's "hands off" policy on the struggle for restoration of democracy going on in Myanmar. He asserted that India had to deal with governments "as they exist." "We are not

interested in exporting our own ideology,” the minister stressed, “we are a democracy and we would like democracy to flourish everywhere. But this is for every country to decide for itself.” An Indian analyst explained that this convergence in discourse was the result of a rhetorical tit-for-tat approach by the South Block: “While several members of Parliament have kept pushing for a strong line on human rights in Burma, the government carefully adapted its posture to China’s attitude.”

A wide gap remains between discourse and deeds. While China and India were adopting a critical tone and implicitly asking the generals to step aside, behind this rhetorical facade they continued strengthening the junta’s position, in disregard of the main political setbacks. Both sides increased their military assistance. China reportedly sold up to fifteen hundred military trucks, jeeps, patrol boats, aircraft, artillery, small arms, and communication systems devices. China has maintained close contacts with the military establishment, and India has been catching up. In the late 1990s, India and Myanmar launched Operation Golden Bird. Troops from the two countries chased Indian insurgents on the Mizoram border. In 2005, the Indian army launched operations against such rebel groups as the Karen National Union, Chin National Army, Chin National Front, Karen Freedom Fighters, and the Arakan Liberation Party. China and India also continued beefing up the military government’s position as economic doorkeeper, despite the fact that corruption and a lack of redistribution of income is one of the main sources of secessionist struggles and political opposition. Chinese and Indian investments in the energy and mining sectors have become one of the main sources of income for the junta. Even though several of the purchased blocks are located in areas with ethnic minorities, these groups do not enjoy any of the benefits. Local communities are often forced out to make room for plants, roads, and dams.

Thus, despite the growing security interdependence, regional cooperation has remained superficial and unreliable. The declarations of peace remain in sharp contrast to the underlying competition. The security dilemma remains in place, as strategies are driven mainly by self-help and the fear of losing influence to the other. Rather than being mitigated by economic interests and tending toward a substantial resecuritization, commerce seems to add another dimension to the Sino-Indian contest. Sino-Indian relations are situated somewhere between conflict formation and a very loose security regime. While there is some collaboration, it has scarcely penetrated to the core of the security challenges, namely the impunity with which flawed regimes continue undermining stability in their countries. Behind a surface of cooperation, China is gradually altering the economic balance of power in its favour. If it succeeds in further strengthening its economic prowess in countries like Pakistan and undermining India’s commercial stronghold in Nepal, it may soon alter the overall balance of power in South Asia.

Conclusion

Concluding remark has demonstrated the increasing importance of China and India’s common periphery. For both states, a stable environment has become a precondition for domestic development and maintaining economic growth. While strengthening their economic influence in the neighborhood, China and India have run up against a

threefold security challenge: cross-border hostilities, attacks on economic projects abroad, and the risk of extremism affecting frontier regions. Consequently, the traditional fault line between the East and South Asian security complex has blurred. Instead of as buffers, the band of states from Pakistan to Myanmar should be considered as a subregional security complex that increasingly coalesces the two regional complexes.

The second conclusion is that the increasing regional security interdependence has not in fact led to sound security cooperation. Joint efforts have grown in number, but they have been more about process than progress. A primary flaw is that most dialogues remain limited to a routine exchange of official positions instead of an exploration of options for practical cooperation. “Security dialogues have become a goal as such,” an Indian official has argued, “instead of tackling real challenges, their main added value is that political leaders can give the impression that they are pursuing a successful foreign policy.” Second, if efforts do go beyond talk, the outcomes are highly limited. The attempt to curb the regional drug trade, for instance, has not yielded tangible results. The struggle against terrorism is having no effect because of a total lack of intelligence sharing and diverging approaches vis-à-vis Pakistan as a main sponsor of Islamist extremism. Third, direct bilateral policies toward smaller neighbours are preferred over the more complicated trilateral action.

Finally, cooperation is restricted to the turmoil that occurs only at the surface of a much more complicated emergency in which weak states like Pakistan, Myanmar, and Nepal are entangled. This modest outcome can be attributed to several factors. One might assume that the Chinese and Indian governments lack an understanding of the intricate nature of the insecurity because the economization and corresponding resecuritization of their regional policies are a relatively recent phenomenon. However, statements by political leaders reveal a full understanding that a secure neighborhood requires more than chasing smugglers and rebels. Chinese and Indian officials are well informed about the root causes of instability in states like Pakistan and Myanmar. Moreover, the confrontation with nontraditional security challenges is not especially new.

Although Beijing’s harmonious society policy, India’s costly rural-development schemes, and the struggles against red tape display a consensus that stability depends to a large extent on socioeconomic equality and good governance, both states still find that military repression of unrest is crucial for guaranteeing their own domestic development. The two countries thus find themselves in another dilemma. On the one hand, there is the need to promote comprehensive security in their neighbourhood, but, on the other hand, the traditional Weberian model of national security is considered still valid for themselves. To the extent that diplomacy is a mirror of domestic politics, championing good governance and inclusive economic development abroad remains unattractive—unattractive, but not necessarily excluded.

Despite facing similar regional security challenges, China and India refrain from cooperation and tend to stick to their business-as-usual approach toward problem states. This cannot be explained by arguments that speak of a lack of understanding and the self-interested preference for a strong state. What is revealed is that the continual backing of predatory regimes and unstable governments stems mainly

from the fact that the immediate objective to maintain influence prevails over the necessity of promoting stability for the long haul. The ambition to gain access to local markets and natural resources is a main driving force. Noteworthy is that economic aspirations are not only about absolute gains but also about relative gains. As China and India are the main competitors in the third countries mentioned in this discussion, it is the fear of losing commercial opportunities to the other that explains the problematic regional security cooperation between them. The risk of being cheated is too high. The cases of Pakistan, Myanmar, and Nepal also show that the economization of regional policies has not led to a desecuritization of their interaction in traditional frontline states. Apart from economic interests, both giants continue to watch each other and try to tilt the balance of diplomatic and political influence in their favour. The emergence of trading states leads to a mitigation of rivalry, or so liberal theory of international relations supposes. The example of Sino-Indian interaction in southern Asia shows that this is not necessarily the case. Despite economic ambitions' resulting in a stronger security interdependence, the conflict setting remains. What is more, the same economic ambitions have added new impetus to the regional struggle for influence and mean that China and India's crooked friends have nothing to fear.

References

- Acharya A. *Constructing a Security Community in Southeast Asia*. London: Routledge, 2001.
- Albert M, *et al.* *Identities, Borders, Orders: Rethinking International Relations Theory*. Minneapolis: University of Minnesota Press, 2001.
- Baral LR. *Nepal's Security Policy and South Asian Regionalism*. *Asian Survey*,1986;26(11):1207–19.
- Brass P. *The Politics of India since Independence*. Cambridge: Cambridge University Press, 1990.
- Buzan B. *Security Architecture in Asia: The Interplay of Regional and Global Levels*. *Pacific Review*,2003;16(2):143–73.
- Buzan B, Wæver O. *Regions and Powers: The Structure of International Security*. Cambridge: Cambridge University Press, 2003.
- Buzan B, Wæver O, de Wilde J. *Security: A New Framework for Analysis*. London: Lynne Rienner, 1997.
- Camilleri JA. *Chinese Foreign Policy: The Maoist Era and Its Aftermath*. Oxford: Robertson, 1980.
- Choudhury GW. *India, Pakistan, Bangladesh, and the Major Powers: Politics of a Divided Subcontinent*. New York: Free Press, 1975.
- Dabhade M, Pant H. *Coping with Challenges to Sovereignty: Sino-Indian Rivalry and Nepal's Foreign Policy*. *Contemp South Asia*,2004;13(2):157–69.
- Das G, Singh NB, Thomas CJ, editors. *Indo-Myanmar Border Trade: Status, Problems and Potential*. New Delhi: Akansha, 2005.
- Dittmer L, editor. *South Asia's Nuclear Security Dilemma: India, Pakistan, and China*. New Delhi: Pentagon Press, 2005.
- Dixit JN. *India-Pakistan in War and Peace*. New York: Routledge, 2002.
- Frankel F. *India's Political Economy, 1947–1977*. Princeton (NJ): Princeton University Press, 1978.
- Ganguly S. *The Origins of War in South Asia: Indo-Pakistani Conflicts since 1947*. Boulder (CO): Westview Press, 1986.
- Garver JW. *China's Kashmir Policies*. *India Rev*,2004;3(1):1–24.
- Garver JW. *Development of China's Overland Transportation Links with Central, South-west and South Asia*. *China Q*,2006;185(1):1–22.
- Garver JW. *The Indian Factor in Recent Sino-Soviet Relations*. *China Q*,1991;125:55–85.
- Garver JW. *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century*. Oxford: Oxford University Press, 2001.
- Garver JW. *The Restoration of Sino-Indian Comity Following India's Nuclear Tests*. *China Q*,2001;168(4):865–89.
- Garver JW. *The Security Dilemma in Sino-Indian Relations*. *India Rev*,2002;1(4):1–38.
- Ghosh PS. *Foreign Policy and Electoral Politics in India: Inconsequential Connection*. *Asian Survey*,1994 Sep;34(9):807–17.
- Government of India, Ministry of External Affairs. *Report of the India-China Joint Study Group on Comprehensive Trade and Economic Cooperation*. New Delhi: Ministry of External Affairs, 2005.
- Hoffmann S. *Rethinking the Linkage between Tibet and the China-India Border Conflict: A Realist Approach*. *Cold War Stud*,2006;27(1):75–100.
- Johnston AI. *Is China a Status Quo Power?* *Int Secur*,2003;27(4):5–56.
- Kang DC. *Getting Asia wrong*. *Int Secur*,2003;27(4):57-85.
- Kang DC. *Hierarchy, balancing and empirical relations*. *Int Secur*,2004;28(3):165-80.
- Kant R. *Nepal's China policy*. *China Rep*,1994;30(2):161-73.
- Kapstein EB, Mastanduno M, editors. *Unipolar politics: realism and state strategies after the Cold War*. New York: Columbia University Press, 1999.
- Keohane RO, Nye JS. *Power and interdependence: world politics in transition*. Boston: Little, Brown, 1977.
- Kohli A. *Democracy and discontent: India's growing crisis of governability*. New York: Cambridge University Press, 1990.
- Kothari R. *The Congress 'system' in India*. *Asian Surv*,1964;4(2):1161-73.
- Kurian N. *Emerging China and India's policy options*. New Delhi: Lancers, 2006.
- Lahiri S, editor. *Regionalism and globalization: theory and practice*. London: Routledge, 2001.
- Mansingh S. *India-China relations in the post-Cold War era*. *Asian Surv*,1994;24(3):285-300.
- Mohan RC. *Crossing the Rubicon: The shaping of India's new foreign policy*. New Delhi: Viking, 2003.
- Murthy P. *India and Nepal: security and economic dimensions*. *Strateg Anal*,1999;28(9):1531-47.
- Paul TV, editor. *The India-Pakistan conflict: an enduring rivalry*. Cambridge: Cambridge University Press, 2005.
- Paul TV, editor. *Soft balancing in the age of U.S. primacy*. *Int Secur*,2005;30(1):46-71.

40. Perkovich G. India's nuclear bomb: the impact on global proliferation. Berkeley: University of California Press, 1999.
41. Perkovich G. Is India a major power? Wash Q,2003;27(1):129-44.
42. Rajain A. Nuclear deterrence in Southern Asia: China, India and Pakistan. New Delhi: Sage, 2005.
43. Rosecrance R. The rise of the trading state: commerce and conquest in the modern world. New York: Basic Books, 1986.
44. Roy J, Banerjee P. Understanding India's economic security. New Delhi: Confederation of Indian Industry, 2007.
45. Scott D. India's grand strategy for the Indian Ocean: Mahanian visions. Asia Pac Rev,2006;13(2):192-211.
46. Smith D. The dragon and the elephant: China, India and the new world order. London: Profile, 2007.
47. Srinivasan TN, Tendulkar SD. Reintegrating India with the world economy. New Delhi: Oxford University Press, 2003.