

China's Himalayan Hustle – Part I

Can China Achieve Infrastructural Hegemony?

Webinar Report

June 13, 2024



Institute for Security & Development Policy

Stockholm Center for South Asian and Indo-Pacific Affairs (SCSA-IPA)

ABOUT ISDP

The Institute for Security and Development Policy is a Stockholm-based independent and non-profit research and policy institute. The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between the issue areas of conflict, security and development. The Institute's primary areas of geographic focus are Asia and Europe's neighborhood.

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LIST OF SPEAKERS



Mr. Matej Šimalčík

Mr. Matej Šimalčík is the Executive Director of the Central European Institute of Asian Studies, a think tank that focuses on foreign and security policy issues related to East Asia. Matej's research looks at China's economic and political presence and influence in Central Europe, elite relations, corrosive capital, and the role of European legal instruments in mitigating risks posed by China. In 2022, he founded the China-Europe Academic Engagement Tracker project, which aims to bring transparency to research collaborations with Chinese entities. He has a background in Law (Masaryk University, 2015) and International Relations (University of Groningen, 2016). He is also a senior associate at the Slovakia-based law firm Nechala and partners. Before that, Matej gained experience as an in-house legal counsel for the Slovak branch of Transparency International, a global anti-corruption watchdog, and several Slovak and Czech law firms. In 2021, he was listed on the Forbes 30 Under 30 list (Slovak edition) in the Governance and Social Innovation category. He is also a member of the Expert Pool at the European Center of Excellence for Countering Hybrid Threats (Hybrid CoE); the European Think-tank Network on China; and a country reporter at the CELIS Institute, a think tank focused on investment and economic law.



Mr. Jeffrey Payne

Mr. Jeffrey Payne currently serves as an Assistant Professor at the Near East South Asia (NESAs) Center for Strategic Studies in Washington DC, USA. He pilots NESAs's maritime security programming, including its ongoing series devoted to the Indian Ocean Region and wider Indo-Pacific. In addition, he leads NESAs's engagements relating to maritime information sharing/data analysis. Mr. Payne analyzes Chinese foreign policy, Indian Ocean Regional affairs, and maritime security. He is particularly interested in the intersection of maritime security and strategic competition in the Indian Ocean, as well as how technology and information can assist in furthering security cooperation. His work informs United States Combatant Commands, the Office of the Secretary of Defense, and interagency efforts inside the United States government.



Dr. Thomas Eder

Dr. Thomas Eder is a Senior Researcher on China, and covers China's foreign and security policy for the Austrian Institute for International Affairs (OIIP) in Vienna. He primarily focuses on China & major power relations, as well as China & global governance. Before the OIIP, he was a member of the foreign policy team at MERICS in Berlin. He is currently also a Visiting Fellow at the China Observers in Central and Eastern Europe (CHOICE) network, and a lecturer at the University of Vienna.



Dr. Antonina Łuszczkiewicz-Mendis

Dr. Antonina Łuszczkiewicz-Mendis, a former Fulbright senior scholar at Indiana University-Bloomington in the United States, served as the founding director of the Taiwan Lab Research Center at the Jagiellonian University in Krakow until February 2023. She is an assistant professor at the Jagiellonian University and a research fellow of the Central European Institute of Asian Studies in Bratislava. Dr. Łuszczkiewicz-Mendis is the author of over 150 books and book chapters, journal articles, and conference papers on China-India-US relations, Poland-Taiwan relations, and the Cold War history. She was educated and gained her research experience at the Jagiellonian University in Krakow, Xi'an Jiaotong University in China, and the University of Cambridge.



Dr. Saroj Kumar Aryal

Dr. Saroj Kumar Aryal is a researcher at the Faculty of Political Science and International Studies at the University of Warsaw. He is from Nepal. Dr. Aryal has published multiple research articles in high-indexed (Q1, Q2) SCOPUS-indexed international journals such as Geopolitics, Asian Journal of Comparative Politics, Journal of Contemporary European Studies, Society, and Journal of Asian and African Studies. His areas of interest include India's foreign policy, South Asia, Security complexities in the Asia-Pacific region, Polarity, and the Rise of the Global South in the International System. He has been part of many international conferences including Binghamton University, New York, Dublin City University, Dublin, Syracuse University, Syracuse, Charles University, Prague

Moderator



**Dr. Jagannath
Panda**

Dr. Jagannath Panda is the Head of the Stockholm Center for South Asian and Indo-Pacific Affairs at the Institute for Security and Development Policy, Sweden. He is a Professor at the Department of Regional and Global Studies at the University of Warsaw, and a Senior Fellow at The Hague Center for Strategic Studies (HCSS) in the Netherlands and an International Research Fellow at the Canon Institute for Global Studies in Japan. Dr. Panda has testified to the US-China Economic and Security Review Commission at the US Congress. He is also the Series Editor for *Routledge Studies on Think Asia*.

DISCUSSION

On June 13, 2024, the Stockholm Center for South Asian and Indo-Pacific Affairs (SCSA-IPA) of the Institute for Security and Development Policy, Stockholm, hosted a webinar “China’s Himalayan Hustle Part I: Can China Achieve Infrastructural Hegemony?” with scholars and experts from Europe, U.S., and South Asia.



“The webinar explored China’s Himalayan strategy through its forays in neighboring territories to understand its long game in the region. And whether China can ultimately achieve its revisionist aims in the Himalayas.”

– Jagannath Panda

The webinar was moderated by **Dr. Jagannath Panda**, Head of the SCSA-IPA, to examine the extent of the investments and reach in infrastructure that China has been building in the Himalayan region. Beyond that, the webinar was dedicated to analyzing the strategy and activities adopted by China for the Himalayan and whether the country can achieve its revisionist goals in the region.

Welcoming all the speakers, Dr. Panda highlighted that even though the dispute between India and China in the Himalayan region is often covered in the news and by think tanks, nothing much has been discussed or written about Chinese strategy for the Himalayan region. There is thus a huge gap about how the West and the European communities should talk to the countries and the region which is suffering particularly from the Chinese hegemony.

More efforts are necessary to discuss and analyze deeply the Chinese strategy for the Himalayan region since it is complex and involves different sectors, interests, and activities. These different arenas cover, for example, economic investments, personal

diplomacy, military involvement and hard power diplomacy, soft power diplomacy, and technological diplomacy, among others.

The webinar explored China's Himalayan strategy through its forays in neighboring territories to understand its long game in the region. And whether China can ultimately achieve its revisionist aims in the Himalayas. For such a purpose, this first webinar in a series involving some eminent experts on the subject aimed to address the following questions:

How does the Himalayan region factor into China's contemporary neighbourhood policy?

What is the scope of China's economic investments, including the BRI, in the Himalayan valley?

What is China's current infrastructural development plan in the Himalayan valley?

How has the recently concluded "Two-Sessions" covered China's Himalayan strategy on infrastructure development?

What are the Western perspectives

(both in the U.S. and Europe) on China's infrastructure development plan in the Himalayan region?

What is the level of awareness about this region in the West, as compared to the maritime region of the Indo-Pacific such as the Taiwan Strait and the SCS?

What are the Indian perspectives on China's infrastructure development plan in the Himalayan region?

Is there a context for the West and India to create a cooperation strategy against Chinese infrastructural hegemonic aims in the Himalayas? If yes, how?

Given the need for the West, India, and neighborhood countries to look at and discuss this matter, Dr. Panda expressed his gratitude for the participation of many people from different parts of the globe and invited speakers from different backgrounds to explain and analyze China's strategy and foreign policy to the Himalayan region, also to reflect what are the lessons for the EU, India, and other countries from this assessment.



“China’s approach to the region is not based merely on territorial disputes, but also on military issues, and economic matters. This is especially seen in Nepal, a country that since 2019 has received investment for many infrastructure projects, including, for example, the trans-Himalayan railway network.”

– Matej Šimalčík

Mr. Matej Šimalčík, Executive Director of the Central European Institute of Asian Studies, discussed China’s infrastructure projects and its interests in the Himalayan region. The interest of the Chinese Communist Party can be explained by the Tibet issue and China’s border strategy

and interactions with other countries in the context of unresolved territorial disputes.

These disputes flare up from time to time. Just with India, we have two areas where the border is being disputed and we've seen skirmishes not so long ago on the more western side of the border in the Aksai Chin and of course on the eastern side in Arunachal Pradesh. In Western sector of China-India boundary, we've seen of a lot of border skirmishes in 2020-2021, which actually resulted in India losing effective control over some of the some of the areas that were under its control until the border skirmishes occurred. This is not only a problem just for India, we've seen land grabs in Bhutan recently which is also an issue that warrants international attention. Given that these unilateral land grabs, even if these are disputed territories, are significantly undermining the rules-based global order which has respect for sovereignty as one of the key pillars and which, even rhetorically, China posits as a key component of its foreign policy.

China’s approach to the region is not being based merely on territorial disputes, but also on military issues, and economic matters. This is especially seen in Nepal, a country that since 2019 has received investment for many infrastructure projects, including, for example, the trans-Himalayan railway network. This warrants questions on what kinds of impacts such economic exposure of the Himalayan countries to China will have not just on their ability to withstand potential

Chinese pressures but also on domestic governance.

It may be valuable to look at the experiences of other countries with similar types of projects around the world. Let me allude to some experiences in Central Europe, not just to show what are the problems with this type of economic activity but also to show that China as an actor is also evolving in its approach and ability to deliver various types of economic projects. If we go back to the year 2011, we have a very illustrative experience in Poland. The Chinese company COVEC which was constructing a highway disappeared midway through construction because it had such poor budgeting for the project and undercut prices when it was making its tender offer and was unable to deliver on this project. Fast forward to today, we have had recently a successful implementation of the Pelješac Bridge Project by a Chinese company in Croatia which was also the very first Chinese infrastructure project funded by EU funds. This project was implemented successfully by China. Further, we need to consider the impact of domestic subsidies within China on the competitiveness of Chinese companies abroad and pushing out of local competitors from tenders. As a result, the EU has adopted its regulation on foreign subsidies.

These are not the only two projects that we have had experience with. Another illustrative example is the highway project in Montenegro that the government tried to finance firstly from European

funds and World Bank funds but both deemed the project unsustainable. In a sort of follow-up, Montenegro jumped on the opportunity to have the project financed by China. During the COVID pandemic, the Montenegro government was faced with income issues due to a drop in tourism and found itself unable to repay the loans that went into the project. There were other issues too, such as environmental degradation during the construction by the Chinese companies involved in the project which actually resulted in the complete destruction of a UNESCO world heritage site. The Budapest Belgrade Railway is another project that is often mentioned especially due to its non-transparent nature and large involvement of domestic oligarchy in Hungary.

This showcases how China benefits from existing governance gaps in countries, domestic cleavages, and pre-existing illicit networks. China just goes with the flow of what is the situation in a country and uses that to enter the market.

Coming back to the Himalayan region, how should one respond to the challenges posed by Chinese infrastructure project in the Himalayan region for EU members and India. The EU has responded to the Chinese investment and infrastructure push globally with the unveiling of the Global Gateway initiative. Though, it is still not very clear how all these projects are going to be implemented under the Global Gateway but it's a point of

departure that we have to consider. It may also lead to potential cooperation with Indian partners. India would be the actor who has a better regional understanding compared to maybe European companies involved in the Global Gateway initiative. When we look at the Global Gateway database, we see that there are two projects being implemented in India and two in Nepal but they are not really dealing with hardcore infrastructure needs. In Nepal, for example, the projects relate to green recovery of Nepal post-Covid-19 pandemic projects related to developing

school infrastructure which are, of course, all very necessary but they do not necessarily address infrastructure needs. This is something that the EU has to deal with moving forward – how to address the actual infrastructure needs for roads, for railways, for power plants, etc., in the target countries. These are the types of project that China has been financing. While it is necessary to finance the soft projects as well, how are we going to compete with China in being a development actor when we have withdrawn from financing of real infrastructure projects.



“A parallel can be made with China’s approach in the South and East China Sea to the Himalayan region – in both disputed areas the Chinese action is to make the world notice that they can control the regions and as a result, these territories are by default theirs.”

– Jeffrey Payne

Mr. Jeffrey Payne, Professor at the Near East South Asia (NESAs) Center for Strategic Studies in Washington DC, spoke about China’s Himalayan policy and how it is a continuation of China’s domestic policies and interests – it is part of the grand bargain that the CCP has made about making sure that China

takes its rightful place as Asia's hegemon. This aspect is much more discussed as it relates to the Western Pacific but it is true throughout Central Asia and certainly in the Himalayan region.

One has to take note of the tensions between India and China on the border dispute and how the two countries signal their narrative on the matter. In Delhi, I think the assessment is that they are another great power of Asia and should be taken seriously. These are two major actors that are standing a foot away from each other and this is problematic. Beijing, publicly at least, does not see India as a peer. Some of this is signalling but it is interesting to follow the narrative and how it plays out.

China’s foreign policy in the region is observed as both aggressive and gradual. This is observed in the clashes with the Indian army in the Himalayan disputed zones. Also, a parallel can be made with China’s approach in the South and East China Sea to the Himalayan region – in both disputed areas the Chinese action is to make the world notice that they can control the regions and as a result, these territories are by default theirs.

One also sees some of the wolf warrior diplomacy towards Nepal and other regional states like Bhutan. They do it very gradually and in very like a sunset scale of vision or even opaque if they can help it – when everyone else is distracted that's when they move because they don't want the attention to be on their actions or

movements. Essentially, their strategy is to get the world comfortable that they can control these regions and then as a result it becomes theirs by default.

The U.S. approaches it through the bilateral relationship and it will be led and driven and paced by India and the degree in which India looks for and requests outside support. Secretary Campbell said at the Stimson Center (June 12) that the U.S. has learned the lesson of paternalistic listening to the Indo-Pacific. This means it is really a partnership that is driven by the partners.

The U.S. is also concerned with a larger process of misinformation associated with

China's foreign policy. China has been very effective in gaining credibility in the street all over the world, be it South Asia, Southeast Asia, in the Middle East, in Africa and North South America and Europe. China creates a narrative that either clouds the situation or distracts from the situation and it's hard for you know say a country like Nepal and certainly a country like India who's a party to this to break through that kind of wall of misinformation. It becomes everyone's throwing mud at each other versus no one party is really violating established rules. This is something that the U.S. is navigating for its own global policy and how to treat it.



“China tries to envelop the Himalayan region in multilateral initiatives that it has initiated and leads. First and foremost is the Shanghai Cooperation Organisation (SCO) where India and Pakistan joined in 2017 and Nepal is a dialogue partner.”

– Thomas Eder

Dr. Thomas Eder, in his turn, brought to the discussion three main points on China’s neighborhood policy for the Himalayan region. China seeks to and has its closest security Partners in its neighborhood i.e. North Korea, Russia and Pakistan, which brings us to the Himalayan region.

First, Pakistan is a very important

security partner for China since it is a key importer of Chinese weapons, and they conduct joint military exercises. Pakistan is also important for China since it is a target of Chinese investments in infrastructure, which makes Pakistan an important partner in China’s competition with the U.S. Much of this infrastructure in Pakistan has been debated as potentially dual use, for example, the Gwadar port. Pakistan is certainly a key target for Chinese infrastructure loans and investments in the context of the Belt and Road Road Initiative. The China-Pakistan Economic Corridor has absorbed a lot of energy, transport and to a lesser degree digital infrastructure projects.

China's neighborhood policy is about security, about securing its periphery, including Tibet and Xinjiang but now also about finding partners for its competition with the US and both these types of efforts lead us to the listed security partners.

Second, the Himalayan region is important to China’s multilateral initiatives, such as the Shanghai Cooperation, and BRICS, among others. China tries to envelop the Himalayan region in multilateral initiatives that it has initiated and leads. First and foremost is the Shanghai Cooperation Organisation (SCO) where India and Pakistan joined in 2017 and Nepal is a dialogue partner. It might become an observer or even member. As for the BRICS, India is a member and lastly, the Asian Infrastructure Investment Bank where India, Pakistan, and Nepal are all members now.

Third, what China doesn't have in the Himalayan region is a regional grouping like the C+ 5 with the Central Asian States. It has not perhaps been particularly pursued and it doesn't have an interaction with a regional grouping like the ASEAN Plus in Southeast Asia. Overall, the region is certainly important to China but not as important as the Western Pacific now.

Getting to China's infrastructure push itself, I would again like to raise three points or dimensions. Firstly, this is about connecting the Himalayan region within China that is Tibet and partly Xinjiang with the coastal and central regions of China. There's an infrastructure push involving a lot of construction and upgrades regarding airports, heliports, also roads and railways. In addition to the very first railway into Tibet from Qinghai, the second one from Sichuan is being built right now. The plan is to have it ready by 2030 or soon after. The second dimension is connecting remote areas within China's Himalayan regions, making the border regions more accessible. The third dimension is that China is also preparing for trans-Himalayan connections notably to Nepal.

Regarding EU-India cooperation, when it comes to Indian security, I think France is increasingly relevant. This has been a natural progression driven by internal motivations on both sides. India as a state living in peace in South Asia has increasingly bought French arms, of course not as many as from Russia. France has also been interested in cooperating

on security issues more broadly within India, also in the Indian Ocean region. Another point here in a certainly contested information environment in the Himalayan region, transparency is important and difficult to achieve in these very remote areas. India certainly already has utilized several means of delivering transparency using satellite navigation systems and publishing results but can also profit in a complimentary fashion perhaps from using the EU's Galileo system.

Further, under the Global Gateway, there certainly could be joint transport infrastructure projects, perhaps roads that could lead to better connections between the center and border regions in India. Lastly, on a diplomatic and multilateral level, both the EU and India should jointly push for greater respect for the Charter of the United Nations globally. The prohibition of force, particularly, has been increasingly disregarded, which is an exceedingly dangerous development. It should be clear everywhere that eyes are fixed on border areas and that the United Nations Charter only allows for self-defense in case of an armed attack. Inventing an armed attack by another side will not be tolerated nor will an entirely disproportional response. And that severe violations of the UN Charter will have severe consequences.

Dr. Panda took this point, saying that talks about prohibition of force was an interesting observation. There needs

to be a little more deliberation between India and EU on how to really expedite collaborations in terms of peace-making and peace-keeping in the region, subject to something going wrong given China's military activism in the region. China's behaviour over the last four or five years

has been distinctly aggressive. There was the Galwan incident which was really unexpected. There may, thus, be scope for a platform and whether India and EU could actually collaborate to raise some of these issues internationally in order to create that pressure zone on China.



“ Indian concerns are not just about the border dispute or infrastructure projects; many other factors are involved such as water sharing, pollution, agricultural activities, and electricity production. China is carrying out several projects independently, including water projects on the Brahmaputra, which is a transboundary river. This creates a double problem because part of Brahmaputra goes through Arunachal Pradesh – let us not forget that Arunachal Pradesh is, from Beijing’s point of view, a disputed area; plus, we have a water rights issue.”

– Antonina Łuszczkiewicz-Mendis

Dr. Antonina Łuszczkiewicz-Mendis started her presentation with a comparison of China’s strategy to the Himalayan region with a cha-cha dance, where the country moves two steps forward and then takes one step back. In practical terms, China in some contexts presents a more aggressive posture, whereas in other times a posture less provocative or even filled with peaceful gestures.

These two postures can be observed in the history of India-China relations. For example, during the 2017 Doklam crisis, the Chinese started to expand the road, led to a standoff at the border, to smooth everything out after two months. However, while the troops were finally withdrawn, China continued to build some sort of artificial villages in the border areas. It is a drop by drop erosion, to make the public opinion used to the fact that these territories are Chinese by default. In practice, the border issue cannot be separated from all other aspects of China-India relations.

China observes India-U.S. relations with caution. The tightening India-U.S. friendship—or partnership—is not officially an alliance but if we look at the number and content of agreements between India and the U.S., signed particularly during the Narendra Modi era, we can see that it has a lot to do with an alliance, including important data sharing. The U.S. continues to make affirmations about Indian rights to territories in the border areas with China. Last year, the U.S.

Senate introduced a resolution in which it reaffirmed that Arunachal Pradesh is not a disputed territory but an integral part of India.

In this resolution, we can read that the U.S. has recognised the McMahon line since 1962, so now it is only reaffirming that Arunachal Pradesh is an integral part of Indian territory. That was really nothing new; however, it created a lot of buzz and hype across Indian media. Moreover, just a few months ago, the U.S. Department of State reaffirmed again that Arunachal Pradesh is a part of Indian territory which, of course, prompted the Chinese side to react in a very negative, angry manner. One can clearly see that India is betting on the U.S. just like the U.S. is betting on India: one cannot go without the other when it comes to the China challenge in the region.

On the other side, Indian concerns are not just about the border dispute or infrastructure projects; many other factors are involved as well, such as water sharing, pollution, agricultural activities, and electricity production. China is carrying out several projects independently, including water projects on the Brahmaputra, which is a transboundary river. This creates a double problem because part of Brahmaputra goes through Arunachal Pradesh – let us

not forget that Arunachal Pradesh is, from Beijing's point of view, a disputed area; plus, we have a water rights issue. China is an upstream country and is free to divert water, erect dams, and so on and so forth, negatively impacting the water flow down to India and transportation systems as well as agricultural activities down the stream. Moreover, in 2017, China did not share water data with India and did not warn India about the upcoming flood on Brahmaputra despite the existing agreement. The official statement of Beijing was that maintenance issues prevented China from data sharing; however, there is a theory that it was a kind of retaliation after the Doklam crisis.

Soon after, there was a spike in pollution in one of the tributary rivers to Brahmaputra in Arunachal Pradesh. The Indian side asked the Chinese as to what happened. The Chinese position was that they would not pollute these rivers because it is China's territory. Clearly, there are various dimensions and aspects where China can actually be putting more and more pressure on India. In the context of limited resources and the global climate change, India needs to be aware of China's activities in the region and the consequences for the environment, and for its own infrastructural activities.



“China and Nepal have become closer since 2015, and with Nepal’s signature on the Belt and Road Initiative. This led to many China infrastructure projects in the country – especially on the southern border, close to India. Interestingly, the signing document spoke of 35 mega projects which later became nine. Now they are only working on three mega projects but at the same time China is getting more and more aggressive in terms of encroaching the border in the northern Himalayas. .”

– Saroj Kumar Aryal

Dr. Saroj Kumar Aryal raised important questions about the Nepal perspective on the Himalayan issue. On the Nepal side, it was their interest to have a close relationship with China and counterbalance India.

On China’s side, the interest in Nepal emerges intending to minimize potential political threats from Tibetan refugees that are stationed in Nepal and to counterbalance the U.S. and India’s influence in the Indo-Pacific region. India’s larger resources have been engaged on the Chinese border so that they have less attention and resources to spend on the Indo-Pacific region that is also one of and recently China is becoming more and more politically active entity. A new development is that China is also getting involved in the internal politics of Nepal. Two weeks ago, a friend wrote a tweet on the airport that China is building in Nepal and the corruption or irregularities that it had. The Chinese ambassador of Nepal started to get into a fight with him on Twitter.

China and Nepal have become closer since 2015, and with Nepal’s signature on the Belt and Road Initiative. This led to many China infrastructure projects in the country – especially on the southern border, close to India. Interestingly, the signing document spoke of 35 mega projects which later became nine. Now they are only working on three mega projects but at the same time China is getting more and more aggressive in terms of encroaching the border in the

northern Himalayas. Nepal does not have a capacity or any mechanism to monitor such Chinese activities.

The only option is for the U.S. and Europe to capacitate India to counterbalance China on the Himalayan side. This is especially so since India is the only country in the region with the equipment and know-how to counterbalance China.

For Nepal to resist partnerships and the influence of China, the U.S. and European countries need to invest more in the resilience of the bureaucracy and enhance democratic institutions in Nepal. The European Union is spending lots of money on capacity building and on promoting democracy. Nepal is a very new republic so comparatively, it has a very immature democracy. It's important to keep institutions functioning. The EU needs to focus on democracies like Nepal so that they remain vigilant in terms of collusion with Chinese interests.

Dr. Panda invited the panellist to comments on the technologically oriented infrastructural planning that the Chinese are doing. There is not only the militarization effort but also they're building infrastructures that will give them a strategic edge in terms of monitoring Indian troop deployment.

Dr. Aryal said this was already happening. In Nepal, China has built a very high-tech supposedly weather monitoring infrastructure in Mount Everest base

camp. They are also developing another monitoring station on the second-highest mountain. China has much more technical superiority in the Himalayan region. They are already talking about the trans-Himalayan Railway project; in the past 10 years, China and Nepal have opened three new passages between China and Nepal. It may not be serious for Nepal per se, but China can instrumentalise these infrastructure against India, and others.

Clearly, India, the U.S., EU need to spend more money on infrastructure building. China is in an advantageous position because it is throwing large sums of money at this small Himalayan nation. It is all very well to talk of democracy promotion, human rights and so on, but for countries with very low infrastructure capabilities what counts is a bridge or a highway.

Mr. Jeffrey Payne pointed out the U.S.-China relationship is very complicated but where it is the most competitive is in the technological sector, both in supply chains as it relates to the industrial bases of each country and the standardizations associated with critical and emerging tech like AI, quantum computing, advanced sensing among others which could theoretically be game changers both economically, ecologically and even strategically.

To what extent are the Chinese are building alliances with Russia, Pakistan and North Korea not only from a global perspective but also on a local perspective in terms of trying to control the Himalayan

regions or the neighborhood regions?

Mr. Matej Šimalčík felt that the Russia angle was an important factor, not necessarily due to Russia's direct involvement in what's going on in the Himalayan region but as a factor that impacts China's global activities. China's and Russia's partnership is of growing concern for European countries primarily because of China's support for the Russian war of aggression in Ukraine. Due to this, a lot of other Chinese activities around the globe are interpreted through this prism. India has a very complicated relationship with China – it's a potential ally not just for the U.S. but also for Europe when it comes to dealing with a lot of the challenges posed by China and vice versa. Europe and the U.S. are going to be an important partner for India in the face of how China is asserting itself in India's neighborhood. This has a flip side: India is reluctant to condemn Russia over its war of aggression in Ukraine. This warrants some questions, like to what extent can India expect Europe to aid India in dealing with China while India is not willing to help Europe in dealing with Russia? So this is something that will have to be tackled quite strongly in bilateral relations between Europe and India.

There's also a second element to China having a cordial relationship with Russia: It means that large portion of its border is safe and secure and China doesn't really need to pay attention to it. It can allocate resources to dealing with all of the other

territorial issues that China has along other borders, not just with India but also with maritime borders in the East China Sea and South China Sea.

Further, when it comes to the broader system of China's partnerships in the region, we also need to include Iran in the discussion. China-Iran relations are increasingly worrisome for observers from Europe. China's four-way friendship or partnership seems aimed at jointly undermining the current international system. This should be a matter of concern for every country, especially the small countries whose security depends on being able to rely on the existing rules-based international order.

Here, Dr. Aryal pointed out that in his opinion, while Russia and China are coming closer but their interests collide massively in Central Asia. So it's very unlikely that there they will have a similar interest in the Himalayan region. They may cooperate here and there in terms of countering the U.S. and EU but forming some sort of alliances to have an organized approach in the Himalayan states, is very unlikely.

With regard to cooperation with EU countries, Dr. Łuszczkiewicz-Mendis said it is important to remember that India is not the only country which has a kind of environmental agenda or narrative. The so-called Tibetan government in exile based in India has a similar discourse. Recently she has been looking into the statements and speeches of the Dalai Lama regarding

China's water projects, water pollution, and environmental damage in the Tibetan Plateau. She observed that in this case, Dalai Lama is more of a political rather than spiritual leader. He claims that the Tibetan people should be given more authority in Tibet to take care of water resources because they know these territories best. He does not claim openly that Tibet should be independent, but he is kind of wrapping it up in the environmental narrative so the whole world should care more about Tibet because environmental erosion in Tibet is something that will affect the whole globe—after all, 47 percent of the world's population depends on water resources that originate in the Tibetan Plateau.

India would like to tackle this issue bilaterally with China without adding to the Tibetan context or opening another


Pandora's Box. However, what India could do is to make this matter more international, more multilateral. We know India likes to deal with things in a bilateral manner, but we cannot forget that India did not sign the UN Convention on Protection and Use of Transboundary Water Courses and International Lakes of 1992. China did not sign this convention either. Perhaps to win the hearts and minds of global citizenry, India could try to be "crystal clear" in the first place. After all, India has been accused many times by the downstream countries of Bangladesh and Pakistan of unfair practices when it comes to water sharing. Maybe India could think about signing this water treaty – last year we had five new signatories. This might be one of the ways to repair India's image on the international stage.

KEY TAKEAWAYS

- More efforts are necessary on the part of the West and European communities to discuss and analyze deeply the Chinese strategy for the Himalayan region since it is complex and involves different sectors, interests, and activities.
- China's strategy in the region is not based merely on territorial disputes, but also on economic matters. This is especially seen in Nepal, which has received investment for many infrastructure projects, including, for example, the trans-Himalayan railway network. This warrants questions on what kinds of impacts such economic exposure will have, not just on the ability of the Himalayan countries to withstand potential Chinese pressure but also on domestic governance.
- A parallel can be made with China's approach in the South and East China Sea to the Himalayan region – in both disputed areas the Chinese action is to make the world notice that they can control the regions and as a result, these territories are by default theirs.
- China seeks to and has its closest security partners in its neighborhood i.e. North Korea, Russia, and Pakistan, which brings us to the Himalayan region. Pakistan is a very important security partner for China since it is a key importer of Chinese weapons, and they conduct joint military exercises. Pakistan is also important for China since it is a target of Chinese investments in infrastructure, which makes Pakistan an important partner in China's competition with the US.
- China does not have a regional grouping in the Himalayan, like for example China's C+5 with the Central Asian States.
- Indian concerns are not just about the border dispute or infrastructure projects, but many other factors are involved such as water sharing, pollution, agricultural activities and electricity production. In the context of limited resources and adding the global climate change challenge, India needs to be aware of China's activities in the region and the consequences for the environment, and for its activities.
- China and Nepal have become closer since 2015, and with Nepal's signature of the Belt and Road Initiative. This led to many China infrastructure projects to the country – especially in the southern border, close to India. At the same time China is getting more and more aggressive in terms of encroaching the border in the northern Himalayas. Nepal does not have the capacity or any mechanism to monitor

such Chinese activities.

- The only option is for the U.S. and Europe to capacitate India to counterbalance China on the Himalayan side. This is especially so since India is the only country in the region with the equipment and know-how to counterbalance China. For Nepal to resist partnerships and the influence of China, the U.S. and European countries need to invest more in the resilience of the bureaucracy and enhance democratic institutions in Nepal.
- The EU has responded to the Chinese investment and infrastructure push globally with the unveiling of the Global Gateway initiative. Though, it is still not very clear how all these projects are going to be implemented under the Global Gateway but it's a point of departure that we have to consider. It may also lead to potential cooperation with Indian partners. India would be the actor who has a better regional understanding compared to many European companies involved in the Global Gateway initiative.
- On a diplomatic and multilateral level, both the EU and India should jointly push for greater respect for the Charter of the United Nations globally. The prohibition of force, particularly, has been increasingly disregarded, which is an exceedingly dangerous development. It should be clear everywhere that eyes are fixed on border areas and that the United Nations Charter only allows for self-defense in case of an armed attack. Inventing an armed attack by another side will not be tolerated nor will an entirely disproportional response. And that severe violations of the UN Charter will have severe consequences.
- When it comes to the broader system of China's partnerships in the region, we also need to include Iran in the discussion. China-Iran relations are increasingly worrisome for observers from Europe. China's four-way friendship or partnership (with Russia, North Korea, Pakistan and Iran) seems aimed at jointly undermining the current international system. This should be matter of concern for every country, especially the small countries whose security depends on being able to rely on the existing rules-based international order.



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