

China's Expansionist Policies and Their Geopolitical Impact on South Asia

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Abstract

China's expansionist policies have emerged as an important issue in geopolitics of South Asia. This policy umbrella will enclose China's territorial claims, military force, investments in infrastructure and network, and strategic alliances. To expand its economic and political presence in South Asia, China has promoted the Belt and Road Initiative (BRI) and the China-Pakistan Economic Corridor (CPEC). China, however, has developed its economic and political involvement in South Asia through its Belt and Road Initiative, the China-Pakistan Economic Corridor (CPEC), etc. These projects are being provided as a means for development and connectivity but creating problems about debt dependency, jurisdiction and future strategic under control.

South Asia is playing significant role in the eyes of Chinese people, due to various reasons, such as geographical and trade routes, access to Indian Ocean and proximity to India. China has concentrated its investments heavily in Pakistan, Sri-Lanka, Nepal, Bangladesh and Maldives. All of these investments have contributed to China's two most important goals in the region, influence in the region and involvement in regional issues. Meanwhile, China has been making its presence felt in South Asia and balancing the power dynamics. India's view of China's operations is a threat because of border disputes, military rivalry and the strategic cooperation that Indian enemy Pakistan has with China.

This article is related to Chinese expansionist tendencies and its geopolitical implications for South Asia. It adopts an economic, military and political approach to China's regional policy. It also highlights the implications of Chinese investments in the sovereignty and foreign policy options of small South Asian countries. Moreover, the study focuses on the response of the countries having an increased weight like India, the USA and the regional countries towards the growing influence of China. The paper also discusses a new strategic rivalry, concerns for security and uncertainty about what the future of regional order will look like.

Key words: *South Asia; Chinese policy; economic influence; military aspects and politics; strategic partnerships; border dispute and regional power relations etc.*

Introduction

China's expansionism is based on its historical geopolitical and geoeconomic goals to influence in its region and the world. China's expansionist thirst can be traced to its claims on Tibet and then the South China Sea, over its borders with neighbouring countries, including Xinjiang. In 2013, China launched the Belt and Road Initiative (BRI), a part of the nation's modern-day geopolitical plan. The BRI is designed to enhance the connections of the countries, to build infrastructure and offer investment opportunities for China to increase its footprint in Asia, Africa and Europe. Although some developing countries have been accused of becoming more economically reliant on China due to

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Beijing's intention to expand its economic presence in these countries, it is clear that Beijing has significantly improved its economic relations with these countries by providing high-quality financial aid and infrastructure development (Hurley, Morris & Portelance, 2018). Many countries are being subjected to a debt trap by China, some of who may not even afford the debt, hence, they are beholden to China. A major example is Sri Lanka's Hambantota Port, which was leased to a Chinese company for 99 years in 2017 after Sri Lanka faced difficulty in managing debt linked to Chinese-funded infrastructure projects. (Ranjan & Guo, 2022).

China is distinctly visible in the South Asian region for its investments in Pakistan, Nepal, Sri Lanka, Bangladesh and Maldives in the areas of infrastructure, energy, and trade. One of the most significant projects of the BRI valued at \$62 billion is the China, Pakistan Economic Corridor (CPEC) with direct access of China to the port of Gwadar in the Arabian Sea. This project also helps to boost the Chinese presence in the Indian Ocean and its ties with Pakistan (Rashid et al., 2023). But there have been some sovereignty and economic dependence concerns that have followed the investments. As China is growing more influential in the country, the traditional reliance of Kathmandu on India in the aspects of infrastructure and political involvement in Nepal has declined (Saklani & Ram, 2023). Likewise, the Chinese investment in the big infrastructure and energy investment in Bangladesh has enhanced the economic relationship between Bangladesh and China, and making the country one of the key trading partners of China. The Maldives' large reliance on Chinese loans has raised concerns about its economic fragilities and economic viability.

In addition to economic involvement, China's military build-up and territorial claims have had a profound impact on the security scene in the region. This has always been a border issue between India and China, and has sparked numerous conflicts including the Sino-Indian War of 1962, the 2017 Doklam standoff, and the Galwan Valley clashes in 2020 that was one of the most serious incidents in bilateral tensions in recent decades (Garver, 2016). The speed of China's infrastructure development in the area near the Line of Actual Control (LAC), both for roads, military and logistic facilities also reveals India's insecurity. China has been extending its presence in the Indian Ocean by the "String of Pearls" strategy in the maritime arena. In this network, strategic facilities and port development at Gwadar (Pakistan), Hambantota (Sri Lanka) and Kyaukpyu (Myanmar) is present (Saklani & Ram, 2023). These developments coincide with China's new assertiveness in the seas, and an attempt to put pressure on the traditional Indian supremacy in the region. As a result, the U.S. and Japan, among others, have increased their game in the Indo-Pacific in order to offset China's increasing strategic presence.

In the political and diplomatic sphere, China's involvement in South Asia is also complementary, apart from the economic and military. Beijing has been making an attempt to increase its influence by way of soft power, particularly in the cultural, growth, and diplomatic sectors throughout the region. India has participated in the programmes of the South Asian regional cooperation such as South Asian Association for Regional Cooperation (SAARC) while China has had good bilateral relations with the countries of South Asia. The kind of involvement China has in Pakistan is not limited to the economic sphere, but also involves military cooperation, arms sales, and diplomatic efforts, especially regarding Pakistan's relations with India and the Kashmir issue (Joshi, 2020). Likewise, accusations of political manipulation, which may be affecting the countries' domestic affairs and governance, have been levelled at Nepal and Sri Lanka for their policy tweaks in their favour. The projects are part of China's overall effort to achieve economic and military benefits and to exert greater influence in the South Asia area, with a rebalancing of power. This increasing influence has put China on India's toes about its traditional dominance in the South Asian region and has led other key players in the region like the United States to raise questions about its future influence.

Influence in the Economy of South Asia

China has been very active in South Asia, with the Belt and Road Initiative (BRI) providing a significant impetus to its massive investments in infrastructure, energy and transport and trade in the region. These investments have helped to promote economic development and enhance connectivity in a number of South Asian nations. They have also raised doubts regarding the indebtedness of the recipient countries, the economic sovereignty and growing political influence of the latter countries over China. While increasing its economic footprint, on the BRI, Beijing has been able to increase its strategic footprint in South Asia as well.

CPEC is one of the most impressive economic projects of China's economic involvement thought to cost some \$62 billion, and is a flagship project of BRI. The corridor would connect the Chinese province of Xinjiang with the Gwadar Pakistani port in the shores of the Arabian sea, giving China an easy way to the sea lanes. CPEC has successfully laid the groundwork of the transportation infrastructure, increased energy production and industrialization in Pakistan, indicating its ability to modernize the economy. The project has, however, increased the external debt burden of Pakistan as a significant number of the loans have been through the Chinese loan financing route (Saklani & Ram, 2023). Such financial dependency in the recent few years has also sparked concerns about Pakistan's economic independence and how much influence China holds over Pakistan's economic and strategic decision-making (Graver 2016).

Sri Lanka is another example, especially when it comes to its geopolitical implications, for the Chinese economic push. The risks of big projects – particularly those financed by China, borrowing money were illustrated by the Hambantota Port. Sri Lanka, however, was unable to pay back their debt and in 2016 they leased out the port to China for 99 years (Garver, 2016). The agreement enabled Beijing to establish a presence in the Indian Ocean and helped to spark new debates over “debt-trap diplomacy.” Others have suggested that this could be an economic muscle-flexing tactic for China and a tactic for the Chinese government to exert its political influence; especially its military influence on projects that are economically viable, and that are also potentially economically viable for military purposes in infrastructure projects. So the Hambantota incident has served as a warning to other developing nation-states that are taking out huge loans from China.

China is also investing in the transport, energy connectivity and connectivity in Nepal. Some major initiatives like the planned Kathmandu – Kerung railway and development of hydropower projects are anticipated to improve Nepal's transport system and make the trade route over the traditional path to India smoother. While these projects have offered a lot of development opportunities, they also put Nepal in a vulnerable position of relying on the financial support of China, and also forced a shift in the Foreign Policy priorities of the nation (Garver, 2016). Similarly the Chinese government's investment in the generation of electricity, transportation of goods, infrastructure etc. has been beneficial for Bangladesh. Chinese help has also helped to improve economic cooperation between the countries with the construction of bridges, roads and industrial development. But, in Bangladesh they have not been careless and taken too much loans from China to create their weak spot in long run as a result they are more practical and careful in deciding loan proposal.

One such other area where China's economy is playing a significant role in South Asian affairs is Maldives. Several high investment infrastructure development projects were developed through Chinese investment and loans, such as improving airports, building houses and roads between 2013 and 2018. Such projects helped to develop the economy and modernize the country, but at the same time, placed a heavy burden on the external debts of the country. The sustainability concerns and national sovereignty, however, also came into the domestic political discussion as some argued that undue reliance on Chinese funding might be harmful for the strategic sovereignty of the Maldives (Sadab & Khan, 2020). That's why this increase in China's economic power has seen it become involved in the wider geopolitical equation in the Indian Ocean.

The effects of China's economic involvement in South Asia transcend the building of infrastructure and expansion of trade. While China's investments have been able to address the region's critical developmental needs and connect the region, there were also some concerns raised regarding financial dependence, transparency in governance and loss of economic sovereignty. Other development partnerships have sprung up from the region and in the world, as debt has been used as a political and strategic tool. South Asian nations have thus responded by introducing alternative investment programmes or infrastructure projects to provide a new avenue of funding to support their efforts at reducing their dependence on China's funding. Therefore the South Asian economies and geopolitical interests have been directed towards building the Chinese economy.

Security and Military Implications

Chinese intentions of entering into the South Asian region on a long term basis are equally important particularly in the context of India, India-China's territorial issue, military cooperation with Pakistan and increased presence of the Chinese in the Indian Ocean region. But in the region, things are different with regards to security;

the situation has worsened, the geopolitical landscape has shifted and things have become more complicated. As China slowly gains strength in its military might and extends its influence in the region, the regional security and strategic autonomy of South Asian nations is growing more complicated with respect to territorial security, strategic autonomy and regional stability.

One of China's military policies in the South Asian region is to dispute with India over the border. It is a boundary dispute, which is a serious issue between the Indo-Sino relationship as it has never been solved since Sino-Indo War of 1962. The Doklam stand-off of 2017 and Galwan Valley stand-off of 2020 have shown that the fragile times of peace along LAC in the recent past have been marred by these stand-offs. The Doklam crisis first started with an attempt by the Chinese to continue its extension of the road in the region of Doklam Plateau, which is a strategically vital land area shared by the two countries, China and Bhutan. Indian government protested against the construction as it is near the area of Siliguri Corridor, which connects the Indian mainland with north eastern states. Similarly, in the past when the two armies of India and China got into an argument in Galwan Valley, it was the first time in the history of the conflict between the two nations that the lives of the initial people were lost in the conflict. They led to India speeding up its military modernization efforts, bolstering its military infrastructure on the border, and improving troops' deployments to the LAC (Garver, 2016). They are also part of China's policy of assertive military power and strategic presence to assert claims and exert more influence in the region.

The growing military ties between China and Pakistan is another important aspect of the security dynamics in South Asia. For instance the Sino-Pakistani relation has turned into to be one of the most vital defence relationship in Asia on the basis of mutual regional strategic interest. However, China is the primary supplier of arms to Pakistan, and has also exported high-tech arms such as submarines, missiles, fighter aircraft and surveillance equipment to the nation. The two countries are entering a new phase of defence cooperation, such as the JF-17 Thunder fighter aircraft programme which has now advanced to a new level, and has contributed in a significant way to the air force capabilities of Pakistan to reach new heights, and transfer of advanced air defence systems (Ramachandran, 2022). This is not only in terms of military arms, but also in terms of cooperation in military drills, intelligence and communications regarding security issues in the region.

Another one that will not only increase cooperation between the two countries on the economic goals but also the security ones is the China-Pakistan Economic Corridor (CPEC). The construction of CPEC has enabled China to have access to the Arabian Sea via Gwadar Port, thus diversifying its shipping routes and enhancing its strategic position. With the induction of CPEC, China has opened up to the Arabian Sea through the Gwadar Port, thereby expanding its shipping routes and strategic stretch. The city of Gwadar, as a commercial and logistic centre, has been touted to be used for military travel in the future as well (Ramachandran, 2022). One of the reasons that India couldn't help but have to think of two front security threat from China and Pakistan is the increased presence of Chinese economic and military presence in Pakistan.

Moreover, China is projecting its power in Indian ocean via its out of the boundaries strategic infrastructure projects "String of Pearls". Hereby, it is important to create ports, logistics centers, and transportation systems at strategic locations like Gwadar (Pakistan), Hambantota (Sri Lanka), Kyaukpyu (Myanmar), and other potential ports in Bangladesh and Maldives, among others (Rashid et al., 2023). China has said they are 'commercial' but a couple analysts pointed out that they do have a 'dual-use' aspect as they could be military in the future. The facilities improve China's ability to protect sea lanes, and ensure its energy supplies and its role as a presence in the Indian Ocean.

In 2017, China placed its first overseas military base in Djibouti, fuelling suspicions that Beijing is playing a more expansive game of military power overseas. This has led to concerns from the regional powers of the possibility of similar military facilities springing up in geopolitically sensitive parts of south Asia. India was incensed by this, prompting it to take some steps to build the capacity of the Indian maritime security. This effort involves building up naval strength, strengthening the surveillance network and strengthening strategic partnerships with countries like the United States, Japan, Australia, etc. Another key forum for a free and open Indo-Pacific is the Quadrilateral Security Dialogue (QUAD), especially due to the growing Chinese influence in the region (Saklani & Ram, 2023).

China's military expansion and assertiveness has impacted the security landscape in South Asia. There are increasing signs of tension and strategic rivalry in the region due to the conflict on the borders, defence cooperation

and expansion of the sea. In the field of security in South Asia, both the defence cooperation and military modernisation in South Asia and the shifting of the geopolitical scenario in the region and beyond, will also witness a remarkable upswing with the troops and geopolitical presence of China in the region. This has increased the insecurity, competition and in some cases, the potential for a military conflict that will impact the peace and stability of the region.

Power of Politics and Diplomacy

China has significantly increased its political and diplomatic footprint in South Asia through regional bodies, bilateral relationships, and attempts to influence regional dynamics to its advantage, aligned with its overall geopolitical agenda. Both the economic and the diplomatic steps have contributed to Beijing's increasing influence in the region and its becoming a key player in South Asian affairs. These projects have helped to strengthen China's presence and influence in the region and have changed the power dynamics, particularly India's dominance in its neighbourhood.

China hasn't been a member of the South Asian Association for Regional Cooperation (SAARC), but has since its 2005 admission as an observer sought a greater role in the group. Beijing's initiatives for strengthening its presence in the region of South Asia have paid off in the areas of economic cooperation and diplomacy. But the Chinese have yet not been welcome in India which considers them to be posing a threat to its regional influence. The Chinese influence, apart from SAARC, has been greater in other multilateral organizations such as BRICS and the Shanghai Cooperation Organization (SCO). They also happen to be excellent venues for Beijing to use to extend its diplomatic reach, develop ties of economic cooperation and further enhance security relationships in the region. In general, SCO, particularly, has contributed to improvement in China-Pakistan cooperation and also helped promote China's geopolitical interests and dwindled the influence of western backed political and security regimes (Joshi, 2020). Such institutions are part of China's plan to build new poles of influence around the world, based on a new multipolar world order.

At the bilateral level, China has actively been politically engaged in Nepal, Sri Lanka, Maldives etc. as it has been customary to have economic investments in parallel with its political ties. In Nepal, China has been intensifying their diplomatic involvement in the country with infrastructure development, political involvement and policy support to diminish Nepal's dependence on India. Beijing has built good political connection with some key individuals, including among the Nepal Communist Party, and thus enhanced its political influence on Nepal's national and international policy agendas (Rashid et al., 2023). China has also made several demands from the Nepalese government on issues such as Tibet and requested its government to discourage activities of Tibetan political groups and Tibetan refugees within Nepal. These will highlight how China can go about achieving its strategic interests through economic assistance and diplomacy.

Significant sign of China's increasing political presence in South Asia is of Sri Lanka. By investing heavily in projects such as Hambantota Port and Colombo Port City, Beijing has been able to exercise significant economic power, thus enhancing its political influence over Sri Lanka. Beijing has been instrumental in enhancing the bilateral relationship and decisively shaping the trajectory of events at key junctures through the provision of Chinese financial support and Chinese infrastructure. China was looked upon as Sri Lanka's leading economic development partner and relations with it as much closer than ever before during the tenure of Sri Lankan President Rajapaksa. However, later governments have sought to adopt a foreign policy that is more balanced in relation to dangers of over-dependence on any one external power (Saklani & Ram, 2023). This is due to the complex economic and political underpinning of China's relationship with the countries in South Asia.

Likewise, the Maldives is witnessing more political and diplomatic involvement from China. Relations with China have improved during Abdulla Yameen's Presidency, and in particular, the Maldives' participation in the Belt and Road Initiative. The relationship with China has been developed well since Abdulla Yameen took over the Presidency, and especially in the field of infrastructure works. This further bolstered China's presence in the Indian Ocean and the Maldives' dependence on Chinese money. But the issue of debt sustainability and national sovereignty did begin to raise domestic political debate, and foreign policy agendas. The results of the 2018 presidential elections have brought a short-term change in the political landscape of the country with an attitude shift towards India and

other regional counterparts that will impact the course of China's diplomatic involvement in the region (Saklani & Ram, 2023). The ups and downs reflect the difficulties smaller states have in finding a way to satisfy the demands of Chinese involvement with maintaining strategic autonomy.

China's political and diplomatic behaviour has led to substantial changes in the geopolitical landscape in the South Asian region. The Chinese government has been trying to build a good relationship with the countries in the region, and relied on economic investment to gain influence to make Beijing more of a key player in the region instead of the regional institutions. On the other hand, China has introduced strategic competition in India's sphere of influence, South Asia through its expansionist approach. Meanwhile, India has been trying its best to boost its cooperation with the region, enhance financial relations with neighbours and draw up strategies to cope with China's newfound dominance. As a result, there is now a political coalition and a formation of South-South relations that is driven by competing visions of South Asia's future, and South Asia is a region of heightened geopolitical competition. Thus one of the most critical political and diplomatic considerations that will shape the course of affairs in the region and the power dynamics in the South Asian sub-region is the political and diplomatic position of the Chinese government.

Regional Stability and Power Relations

China's growing power and influence in South Asia has significantly altered the region's power dynamics, caused strategic tension, alliances and created new security challenges for the region. Indeed, the traditional power hierarchy is being challenged and India's predominant status as the main regional power is being contested by its growing economic, military and political footprint across the region and particularly, in the South China Sea. The geopolitical shift has increased tensions between the great powers and has made South Asian small countries to maneuver in a more complex strategic environment.

China's ascendance has come with a big consequence: the India-China rivalry has come to the fore. There is more than just a territorial battle at stake: It's a battle for economic influence, diplomacy, and regional leadership between the two Asian powerhouses. The bilateral relation has been marred in 2017 due to Doklam plateau clash and in 2020 due to Galwan Valley clash which is one of the major setback for security concerns. The Galwan incident in particular, had led to a shift in relations between India and China and both have beefed up their military presence and prepared their infrastructure along the Line of Actual Control (LAC) (Garver, 2016). China's assertiveness has prompted India to accelerate the process of modernisation of its military forces, as well as its border security and proactivity in the region.

However, there's a rivalry too in economic and diplomatic strength. China's massive investment initiative, known as the Belt and Road Initiative (or BRI), has enabled Beijing to secure a strong position in Pakistan, Sri Lanka, Nepal, Bangladesh, the Maldives and beyond. The investments have helped to enhance China's regional presence and brought in the competition of the traditional diplomatic power of India. India is also stepping up on the development assistance and its connectivity projects and bilateral relations with neighbouring states with the rise of Beijing's influence in the region. But, China has a lot of resources and infrastructure which gives it a lot of leverage and hence it's not easy to compete with India's economic outreach. Hence, New Delhi has been trying to form strategic alliances and multi-lateralism to retain its influence in the region.

China's rise has also faced more opposition from beyond their borders from, among others, the USA and those whom they follow. The Quad Security Dialogue (QUAD) is a new initiative by the US, India, Japan and Australia and is a reflection of increasing worry regarding China's influence in the Indo-Pacific region. The Quad has now become an important forum to increase maritime security, maritime stability and support maritime a rules-based international order in the region. The Member States are looking to avoid one power dominating the Indo-Pacific region by engaging in multi-national military exercises, intelligence sharing, coordinated diplomatic action etc. Furthermore, the Quad has already started to develop alternative infrastructure and development plans to reduce China's funding needs in the region.

The United States has continued to enhance the strategic partnership with India through various defence agreements such as Logistics Exchange Memorandum of Agreement (LEMOA), and Basic Exchange and Cooperation

Agreement (BECA). The accords have further intensified intelligence sharing, interoperability and defence cooperation between the two nations, both of which perceive China's regional influence as a threat, but hope to keep the region stable. Washington has stepped up economic, security and diplomatic ties with other countries, except India, where it is Bangladesh, Sri Lanka and Maldives. Likewise, Japan has been actively investing in its regional development by offering support for regional infrastructure and connectivity projects, like Asia–Africa Growth Corridor, which is an alternative to the Belt and Road Initiative (BRI) by China (Saklani & Ram, 2023). These are part of a broader Indo-Pacific strategy to maintain strategic balance and avoid the dominance of China in the area.

In the long term, China's expansionism will probably leave South Asia as a region of geopolitical realignment and strategic competition in the long-term. The smaller South Asian states will continue to require balancing policies that will optimize economic benefits from China, while maintaining political, economic and security relations with India and other outside powers. It's a tactic to ensure that they don't go too far as to become overly reliant on one or the other, but still continue to be strategic independent. But balancing these competing relations might be more difficult given the competition of the great powers.

In the interim, there are concerns that the India-China border tensions might lead to another confrontation. Both countries have been very busy in the strengthening of their armed forces, building infrastructure and getting ready in border regions with conflicts. The Indian Ocean too will be a major flash point for geopolitical tensions. China has been investing in the area to boost its naval power and control over strategic ports and facilities the “String of Pearls” and it has also been linked to the region in its expansion of naval capabilities and increased control of the seas, leading to concerns about freedom of navigation and security of the seas. This now has led to an enhancement of naval cooperation and maritime surveillance and security measures between India and its partners to create a favourable balance of power in the region (Joshi, 2020).

China's expansionist policies have transformed the geopolitics of South Asia by changing the power dynamics in the region, heightening the strategic competition, and prompting new kinds of political and security cooperation. The economic involvement has created opportunities for infrastructure and regional connectivity, and the rise of China's political and military role is raising concerns about sovereignty, security and regional stability. As regional politics and strategy continues to evolve, new maps of the region are attracting South Asia, and the region will be a playing field of geopolitical contestation and competition for decades to come.

Conclusion

The ‘Neighborhood first’ policy of China has brought many changes to the geopolitical, economic and security landscape of the South Asian region. Under both economic and military development and diplomatic means, China has become a great player in the regional arena and a key player in the political, economic course of the South Asian countries. Beijing has been able to expand its regional influence and strategic position in recent years by the Belt and Road Initiative (BRI), strategic infrastructure projects and the growing military presence. The developments have been good in terms of infrastructure developments, trade and economic growth in some of the South Asian countries but at the same time debt dependency, sovereignty and strategic autonomy issues have also been raised.

India had once ruled over the region but with the arrival of China especially into South Asia, India's supremacy is doubted. Further, escalation of border tensions relating to Doklam standoff and Galwan Valley clash has further heightened security concerns and added to strategic rivalry between the top two powers in Asia. Similarly, the Indian Ocean's growing Chinese involvement and relations with Pakistan have only added to the security concerns of the region. The changes have resulted in a more militarily prepared region, strategic maneuvers and growing cooperation between countries in the region and elsewhere, to deal with China's growing strength (Garver, 2016).

In the meantime, there is a conundrum in the South Asian countries over national sovereignty and strategic independence versus the allure of the Chinese. China is investing in countries like Pakistan, Sri Lanka, Nepal, Bangladesh, Maldives and they are getting benefits but in the context of domestic and foreign policies issues of sustainability of debt, political influence and dependency on the economy are still there. Thus, China's development is an opportunity and challenge to the region – a potential expansion and strategic “weakness”.

To address these challenges, South Asian nations must reach a balance in their foreign policy so as not to become overly reliant on any one foreign power as China's expansionist policies are a threat to the region. Enhancing bilateral and multilateral cooperation including under SAARC and BIMSTEC will help in strengthening the economic growth and development of the region, connectivity and offer a platform to avoid one-sided loans from China. Governments should also make sure financing mechanisms are transparent, accountable and sustainable, particularly in the case of large-scale infrastructure projects. However, as experienced in Bangladesh, a combination of developmental partners such as western countries, multilateral financial institutions, China and Japan (Saklani & Ram, 2023) must be engaged to achieve a balance. Building up the domestic governance institutions and regulation systems, and welcoming foreign investments in order to achieve the long-term national development goal, rather than political goals is also very significant (Garver, 2016). World class institutional setups and more transparent policy processes will provide for optimal returns of foreign investments without endangering SA countries' sovereignty and national interests.

In the near future China and South Asia will have cooperative and competitive relationships. China's economic might and strategic vision will remain crucial in the region, while as more countries in SA become aware of the dangers of over depending on China, a diversification and balancing policy by SA countries will become more attractive. In the meantime, India's presence initiatives in the region and other powers like the U.S., Japan and Australia are likely to affect the regional dynamics, which is set to be more multipolar. But the territorial disputes, the strategic rivalry and military competition will continue to be serious threats to the peace of the region. Thus, economic prosperity and strategic autonomy in the region, while also catering to multiple interests, facilitating South Asian cooperative security arrangements, and sustainable development strategies will be key (Ranjan & Guo, 2021).

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