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## Geopolitical Challenges and Strategic Dynamics of India- Nepal Relations Amidst China's Expanding Influence

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### INTRODUCTION:

India and Nepal share a long-standing and multi-faceted relationship, rooted in geographical proximity, historical ties, and a common socio-cultural ethos. Over the centuries, the people of both nations have engaged in deep civilizational exchanges, bound together by shared religious practices, language, customs, and familial connections. These informal bonds have gradually evolved into formal diplomatic and strategic engagements, shaped by a series of treaties, agreements, and mutual understandings. The dynamic between the two countries has generally been one of cooperation, although it has faced fluctuations over time, characterized by both smooth interactions and occasional tensions.

India has traditionally maintained a friendly and cooperative approach towards Nepal, recognizing the importance of their close relationship in a regional context. However, recent developments, particularly the growing involvement of China in Nepal, have altered the trajectory of India-Nepal relations. China's expanding influence in Nepal presents both challenges and opportunities, affecting the traditional balance of power in the region. This shift has significant implications for the future of bilateral ties, as India reassesses its strategic interests in light of China's increasing presence.

In the 21st century, the partnership between India and Nepal will be largely shaped by how India navigates the rise of China in the region. The geopolitical challenges and strategic dynamics of India-Nepal relations are thus intricately tied to the broader regional shifts driven by China's assertiveness. This research explores these challenges and the evolving strategic dynamics, focusing on the implications of China's influence on the future of India-Nepal relations, with an emphasis on the opportunities and threats posed by China's growing geopolitical footprint in South Asia.

## **HISTORICAL CONTEXT OF INDIA-NEPAL:**

Nepal has had historic relation and close connection with India because of the similarity in cultures, traditions and religions. The strong relations between the two countries are mainly upheld by their tradition of open border between the two nations, which allow the people to move freely from one country to the other and as such shared blood ties and linguistic similarity is promoted. In addition, there are significant treaties that have covered relations between the two nations with significant treaties being the Treaty of Peace and Friendship (1950) that covered the two nations. It provided them with a framework to maintain their ties in economic, social and political lifecycle. Despite this close tie, the relationship between the two have had some hitches in terms of occasional tensions that arose and affected their togetherness owing to state craft policies and regional accounts. Understanding the historical perspective of the relationship between the two countries will be fundamental in understanding the closeness and distance that at times exist between the two countries, all of which happens in their geopolitical landscape that are very important to South Asia countries (Husain).

The relationship India shares with other nations across the globe occurs on a set of treaties and agreements that mutually benefits both the countries. Similar is the case with India and Nepal, where a set of major treaties and agreements influence their bilateral ties. The first in this regard is the Treaty of Peace and Friendship (TCPF), 1950. TCPF influences close political relations and cooperation in defence, trade and transit and allows Nepalese citizens similar rights as Indians on Indian territory in matters of unrestricted trade and employment.

Second major agreement is the Kosi River Agreement, 1954, which influenced flood control and irrigation efforts - important for agricultural survival of both (Khanal 97-102). There are several other treaties that lead India-Nepal relationship to cooperate historically with each other although strained at times due to varying national interests.

Moreover, the bilateral relationship between India and Nepal has seen various phases marked by significant cooperation and occasional tensions, influenced by major events and turning points. One critical period of cooperation was the establishment of the 1950 Treaty of Peace and Friendship, which facilitated open borders and economic collaboration, promoting a mutually beneficial partnership (Khanal 97-102). Conversely, the 1989 border blockade marked a period of considerable tension, with India halting trade transit due to Nepal's decision to diversify military sources and engage with China, creating friction in their diplomatic relations. More recently, the 2015 Nepal blockade further strained relations as Nepal accused India of tacitly supporting domestic unrest, which disrupted supplies during a humanitarian crisis. These instances highlight the complex interplay of geopolitical factors shaping periods of collaboration and discord, resulting from internal policy shifts and external pressures, which continue to influence the strategic dynamics between India and Nepal (Husain).

## **CHINA'S EXPANDING INFLUENCE IN NEPAL:**

China's economic investments and infrastructure projects in Nepal have assumed significant proportions in recent years, reflecting a strategic expansion of influence. The Belt and Road Initiative (BRI) has been a pivotal platform through which China has launched extensive development projects across Nepal, including roads, railways, and hydroelectric power plants (Murton and Lord 102100). These projects have not only enhanced Nepal's connectivity but have also emerged as a symbol of China's ambition to integrate with broader Asian markets. Consequently, China's investments are perceived as both an opportunity for Nepal's economic development and a potential challenge to India's traditional influence in the region. By focusing on strategic sectors, China's infrastructural outreach underscores a broader geopolitical intent, complicating the regional balance and prompting India to reassess its diplomatic strategies in response to these evolving dynamics.

In addition, China is diplomatically establishing its relations with Nepal through the other political engagement initiatives with the country have increased markedly, thus building a web of partnerships that have significant implications for China. The signing of the Belt and Road Initiative (BRI), which becomes the basis for their diplomatic communications, further strengthens bilateral relations China efforts to the Nepalese government. Political visits and dialogues are deliberately designed to strengthen Chinese relations with Nepal's leaders. China established the diplomatic program to Nepali leadership as a priority for China's efforts to maintain relations.

Besides, China's diplomatic initiatives are not only limited to state visit programs but also related to a series of Chinese cultural exchange and education programs established in Nepal. This program has significant strategic implications for China regarding its diplomacy in influencing Nepal and does not abandon India's position as the controlling country in the region (Murton and Lord 102100) .

Moreover, militarily collaboration with Nepal has also been prioritised and strengthened by China. The purpose of this is to engage with another state and expand presence in the territory through bilateral military communication and joint military training to strengthen the relationship in the defence sector. The increase in Nepal's military collaboration with China undermines India's long-established military partnerships and creates a challenging security situation. Chinese engagement with Nepal serves to combine with the change in arms capacity thereby enhancing Nepal's defence and security situation but positioning China as a significant military ally to destroy the previous balance (Murton and Lord 102100). Consequently, India must now review and alter military strategies and relationships further to accommodate the growth of the Chinese military influence and activities in the South-Asian region.

#### **GEOPOLITICAL CHALLENGES FOR INDIA:**

India faces a daunting task of countervailing its perennial historical relationship with Nepal with the rising influence of China in the surrounding region. Conventionally, its socio-cultural linkages emanating from the decades-old ties with Nepal such as the 1950 Treaty of Peace and Friendship have worked in its favor to hold sway.

However, the enthralling promise of economic expansion that is offered with Chinese infrastructure development programs and strategic investments through the Belt and Road Initiative (BRI) quite significantly upset the applecart (Murton and Lord 102100). In a rapidly changing geopolitical environment, India is compelled to ask itself how it can continue to exercise its authority vis-a-vis its historical ties, without losing an essential ally in Nepal into the waiting hands of its strategic rival China. This places India in a precarious situation where the diplomatic challenge lies not only in navigating historical ties with its neighbour but ensuring proactive measures that will maintain Nepal as an ally in the face of China's growing ambitions for influence in the region. Not only does that serve its interests in the stability of the region but also in its endeavour to secure its own strategic interests in South Asia (Paul 50-63).

Border disputes and related territorial issues have become more complicated, particularly with regard to Chinese dominance in the region. The current dispute over the Kalipani region of belongs to a sort of contested territory whose interpretations arose from historical agreements and treaties, including the 1950 Treaty of Peace and Friendship (Husain). Apparently, the origin of the territory dispute traces back to China after the launch of the Belt and Road Initiative. However, the influence of China may be somewhat indirect, in the sense that the assertion of territory by Nepal mirrors their participation in changing geopolitical structures

(Murton and Lord 102100). More so, China appears to be backing Nepal regarding the territorial discussions with India, strengthening their support of Kathmandu's strategic interests that may aggravate

the situation diplomatically for India (Bhattarai 61-80). So, in this regard, India has to deal not only with the historical intricacies of its territory agreement or dispute with Nepal but

additionally anticipate the possible impacts of restructuring by China on the approach of Nepal in such disputes.

Furthermore, the competition for regional influence and resources in Nepal between India and China is intensifying within the context of strategic infrastructure investments and economic aid. Both countries are focused on securing a dominant position by enhancing their presence through pivotal projects that promise long-term benefits for Nepal's development. The Belt and Road

Initiative exemplifies China's infrastructure-led approach, aiming to integrate

Nepal into broader trans-regional networks, thereby increasing Beijing's influence (Murton and Lord 102100). In response, India is bolstering its diplomatic and development assistance strategies within its

"Neighbourhood First" policy to counterbalance China's activities, seeking to maintain historical ties and ensure reciprocal benefits (Paul 50-63). This rivalry not only underscores the strategic significance of Nepal's geographic and economic positioning but also reflects broader geopolitical shifts, making the nation a focal point in the Sino-Indian contest for regional, and possibly global, power dynamics (Khanal 97-102).

## STRATEGIC DYNAMICS AND RESPONSES:

(Paul 50-63)

In addition, India has pursued a range of diplomatic and economic initiatives to counterbalance China's footprint in Nepal, underscoring the importance of a holistic approach. On the diplomatic front, India's high-profile visits signal an interest in reinforcing perennial relationships, while its efforts to deepen government-level exchanges facilitate understanding. On the economic front, the focus of India's development cooperation is to strengthen local capacities as aligned to the Neighbourhood First Policy's priorities for mutually beneficial projects (Paul 50-63). Investments in infrastructure, health and education are clearly shaped to meet Nepal's priorities even as they present an alternative to China's initiatives under the latter's ambitious Belt and Road Initiative (Murton and Lord 102100). Through the coupling of diplomatic initiatives with economic support, India is likely to attempt to continue holding sway in Nepal, seeking to preserve its legacy on account of its links to more traditional relationships at a time when geopolitical developments are increasingly reshaping this landscape.

In addition, India, Nepal and China trilateral cooperation projects may help to transform the regional cooperation as they would put more pressure on parties to collaborate rather than oppose each other.

Trilateral cooperation usually put an emphasis on trade facilitation, infrastructure building, and disaster instruction which would focus less on the challenges of the regions and create more interdependence and economic growth. Khanal mentioned that Nepal has traditionally united its foreign policies between the two giants, implying that it may be possible to unite it along with the trilateral cooperative projects (Khanal 97-102). The cooperation may also mean more engagement with grands Region wide projects like the Trans-Himalayan connectivity networks which would mean economic engagement with the two leaders rather than compete against each other. Nevertheless, the cause to trilateral cooperation promises cannot overlook the deep historical and political background in the region, such as territorial disputes and historical rivalries that have dotted the Cambodian politics for decades.



## NEPAL's PERSPECTIVE AND BALANCING ACT:

Nepal's strategic engagement with both India and China is emblematic of its nuanced foreign policy approach, which seeks to derive benefits from both partnerships. By maintaining strong ties with China, Nepal aims to leverage substantial economic investments and infrastructure developments under the Belt and Road Initiative, which promise enhanced connectivity and economic growth (Murton and Lord 102100). Simultaneously, Nepal continues to value its longstanding cultural and economic connections with India, ensuring a balance that allows it to benefit from India's developmental assistance and open border policies (Khanal 97-102). This balancing act is particularly crucial given the geopolitical contests between its two powerful neighbours, necessitating a diplomatic strategy that safeguards its interests while fostering regional stability. Ultimately, Nepal's foreign policy reflects a strategic autonomy enabling it to pursue development goals while adeptly managing external pressures from both India and China, underscoring the complex dynamics at play in this triadic relationship.

Another aspect that characterises foreign policy in Nepal is the domestic political factors that significantly affect it, especially with respect to its ties with India and China. Unlike China, Nepal has a more dynamic political environment where different governments could alternate roles. This aspect could make Nepal's foreign policy depend not only on domestic conditions but also on the position of the current party in terms of its cooperation with the two giants (Khanal 97-102). That is, after the change of governments in Nepal, the country can act differently in its foreign policy towards these states according to the policy of the new government.

Apart from that, the strategic autonomy is another factor that is considered highly challenging by Nepal due to the competing influences of India and China (Khanal 97-102). As a country sandwiched between two of the most populous giant nations and their influences, Nepal needs to be fully aware of their economic and political interests that impose pressure on the country (Murton and Lord 102100). While Nepal is aspiring for economic development through the Belt and Road

Initiative proposed by China, declining the developmental benefits from India is also a big loss for Nepal, especially in the economic and security commitments offered by India to Nepal (Murton and Lord 102100). As long as the ramification of internal politics pressurises the foreign policy orientation, the ambition of Nepal to remain independent becomes a challenging task and can make the country unreliable in the eye of the world (Khanal 97-102). Designing the foreign policies complying with national interests desires Nepal to dodge the external pressures from both India and China to remain a sovereign upcoming country in a rapidly changing environment through shifts in state policies.

## FUTURE OUTLOOK AND IMPLICATIONS:

The future of India-Nepal-China relations can be envisaged upon the unfolding trends of the geostrategic environment. The first scenario highlights that India-China competition over influence in Nepal will deepen. It seems that both the countries will continue to pursue their connectivity agendas by promoting infrastructure development. In this case, Nepal may emerge as an economic and strategic link between the two neighbouring powers, illustrating Nepali development and prosperity schemes (Murton and Lord 102100). Secondly, Nepal may strengthen its role in the region by making use of its strategic geolocation to initiate projects of cooperation at a trilateral level, which would allow it to mediate the disputes, at the same time, it will be able to capitalize on China's investments in infrastructure as well as India's development aid schemes (Murton and Lord 102100). In addition, the projects of cooperation at a trilateral level may provide opportunities to promote further regional stability over the specific issues—such as disaster relief and trade connectivity—by providing opportunities to cope with shared systemic

challenges, which will foster economic cooperation and interdependence, thus lowering the competition-based influencerelated tensions (Khanal 97-102).

Furthermore, the trilateral dynamics between India, Nepal, and China carry substantial implications for regional stability and security. As Nepal navigates its relationships with these neighbouring giants, its position as a strategic intermediary is crucial. Nepal's engagement with China's Belt and Road Initiative aims to bolster infrastructure and economic growth, potentially redefining regional power dynamics (Murton and Lord 102100). Simultaneously, India's continuing efforts under its Neighbourhood First Policy seek to deepen traditional ties with Nepal through comprehensive development assistance, thus maintaining a robust regional influence (Paul 50-63). This interplay creates a delicate balance, where collaboration on shared challenges, such as disaster management and trade connectivity, can foster security and mutual understanding, mitigating the risks of geopolitical tensions escalating (Khanal 97-102).

Additionally, opportunities for constructive engagement among India, Nepal, and China could center around collaborative infrastructure development projects, addressing mutual economic interests. One such avenue is the enhancement of regional connectivity through road and railway networks that facilitate trade and economic integration, which aligns with Nepal's goals under the Belt and Road Initiative (Murton and Lord 102100). Shared investments in sustainable energy production, such as hydroelectric projects, can also foster cooperation, benefiting all three nations while promoting environmentally responsible growth. Furthermore, trilateral dialogues focusing on disaster management and climate change initiatives present another opportunity for joint action, aiming to mitigate the significant impacts of these challenges in the region. By prioritizing common interests and leveraging each country's strengths, these initiatives can enhance regional stability, foster economic growth, and effectively balance geopolitical tensions in South Asia, ensuring sustainable progress and development for the involved nations (Khanal 97-102).

Furthermore, the actions and initiatives of international organizations and other nations significantly influence the future prospects of India-Nepal-China relations. The engagement of global organizations such as the United Nations and regional partnerships like the South Asian Association for Regional Cooperation (SAARC) can encourage discussions and offer recommendations on how to diplomatically engage with each other. These organizations play a key role in mediating conflicts, advocating for mutually beneficial economic projects, and fostering stability throughout the region (Khanal 97-102).

Key players in the region such as the United States, and Japan, supply economic and developmental aid to Nepal, along with access to technology. The involvement of international powers within the affairs of these nations provides not only an alternative route of development for Nepal, but adds a different dimension of complexity to aid initiatives. The interests of international powers provide an additional factor for consideration in India and China's strategic calculus, influencing how the two powers engage with Nepal as each weighs their own interests against prevailing trends within the region and the interests of global powers (Paul 50-63).

Apart from these direct implications, the economic ramifications of the India-Nepal-China partnership have indirect repercussions that are felt further afield in the South Asia region. For instance, under Beijing's Belt and Road Initiative - which encompasses vast infrastructure projects in Nepal - the economic promise is great, juxtaposed with the challenges that this will bring to regional economies and increased reliance on Chinese capital (Murton and Lord 102100).

Connectivity offered through this partnership will bolster trade connectivity across South Asia. While countries may benefit economically from this, it complicates trade patterns for economies that may have relied on classical trade relationships with India. At the same time, India's "Neighbourhood First Policy" focuses on neutralizing the effects of this through greater economic connectivity and development accord

with Nepal to protect its interests in the region (Paul 50-63). Here we see economic implications from the partnerships forged by regional powers and their indirect impact on South Asian economies. This is why this new equation necessitates a particular level of diplomacy as the situation is confusing at best with India and China vying for proximity and influence in what was traditionally known as their spheres of influence.

Additionally, the evolving geopolitical landscape bears significant cultural and social implications for the populations of India, Nepal, and China. The deepening influence of China in Nepal has introduced an array of cultural exchanges, leading to a gradual shift in social dynamics within Nepalese society. With increased Chinese investments and infrastructure projects, cultural interactions have intensified, potentially altering traditional Nepalese social norms and values (Murton and Lord 102100). At the same time, India's longstanding historical and cultural ties with Nepal continue to play a significant role in shaping social interactions, as open borders and familial connections facilitate a shared cultural space (Khanal 97-102).

Consequently, communities across these nations face the challenge of integrating diverse influences while preserving their cultural identities, a task made more complex by the socio-economic transformations driven by geopolitical developments.

## CONCLUSION:

In conclusion, India's Nepal relations crisis evaluation in the wake of China's growing strategic and economic presence reveals the existence of serious geopolitical disputes and challenges. India faces the need to balance its historical ties and relationships with the strategic and economic growth of China, which is exacerbated by border disputes and regional competition. India and the People's Republic of China seek to expand their influence on the political and economic processes in the parliamentary and presidential republic of Nepal. India's initiatives in the Neighbourhood First Policy indicate the desire to resist the strategic pressure of China through closer cooperation and support for economic development and infrastructure projects in Nepal, but the results are still rather inconclusive. Overall, the evolving trilateral relations between India, Nepal, and China, given the threats and geopolitical challenges in the region, require that all parties take responsibility and demonstrate understanding. The strategy based on confrontation is not the most optimal for all parties; cooperation is crucial for maintaining stability and political equilibrium in the region, as well as for joint steps to achieve development goals.

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