

India and China's Trade Ties with ASEAN Nations

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ABSTRACT

This paper provides the key details on China and India's and mysterious ties, their mutual ambitions in ASEAN nations, and numerous economic modes of cooperation. Economic relations between China and ASEAN have greatly grown with revenues from its trade change, trade liberalization, and economies' resources. India - ASEAN has regularly promoted stronger bilateral relations, foreign contacts, and global finance. China and India are two forces that are very challenging to establish: completion as well as cooperation, collaboration, and confrontation. However, China and India are seen as complementary nations to each other's position in ASEAN relations. They have such big political gaps that there is no hope of their differences being completely settled in the next decade. Despite their mutually advantageous economic ties, China and India remain two challengers. According to the knowledge gathered, ties between China and India are more characterized by combat than cooperation. However, there is still a great deal of room for partnership between India and China that has taken the two nations closer together.

Keywords: China, India, ASEAN, Foreign Politics, and Economic Affairs.

Introduction

India and China constitute about one-third of the world's population and are among the most steadily developing economies worldwide. An International Monetary Fund study of 2015 forecasts that by 2016 India would turn China into the fastest-growing economy. Two nations' economic strengths are generally seen as complementary; China is greater on the physical and electronics markets, while the tech and finance industries are stronger in India. The nations that have the greatest growth prospects in the next 50 years have been designated. The propagation of Buddhism to China and European-British trade through the Silk Road are prominent examples of these. India and China share factual experiences too. India is watching international leadership while China is ready to turn the unipolar world order peacefully into a multipolar one. In this respect, India and China may be considered to complement each other's work and contest the other's placement. China doesn't feel challenged by India, but India is frightened by the advent of China. The issue's timeliness is motivated by the increase in ties between China and India: both of Asia's major sections are marked by its dynamic economic and geopolitical spread. China-India ties have been marked for a long time by ambivalence, which led some analysts to explain not foes and not friends. The study seeks to evaluate the China-India present role in

Muhammad Usman Sahbzada

commerce, investment, and services with the Association of Southeast Asian Nations and determine the rivalry between China and India. The Southeast Asian regional intergovernmental organization, consisting of ten countries, promotes intergovernmental cooperation among members and other regional countries. Brunei, Singapore, Laos, Cambodia, Malaysia, Myanmar, Thailand, Vietnam, Philippines, Indonesia are Member Nations. The overall aims can be achieved through the following specific tasks: (1) determining the foreign trade of China-ASEAN, Chinese investments in ASEAN nations and understanding the value of the Belt and Road Initiative's Chinese strategy; (2) identifying the amount of foreign trade between India-ASEAN and explaining the current situation of India; (3) and comparing Chinese-Indian service growth. But the scholar's work only covers certain important facets of China's and India's international economic strategy with ASEAN. A detailed review of China and India's ties and its position in the ASEAN area could be carried out. The entire spectrum of issues on this topic will be profoundly encased and expanded.

Research Question

What are China's and India's trade ties with ASEAN nations and the rivalry level between them?

Methodology

During the writing, tools of empirical understanding such as analytics and information processing synthesis have been utilized. The paper focused on core principles and economic theory categories about the essence of international economic affairs, globalization, internationalization, and international competitiveness. The work of the classics of economic thinking and contemporary scholars, the resources of federal bodies and intergovernmental organizations, foreign institutions, and conferences are a theoretical and analytical foundation for the analysis.

Trade Ties between China and ASEAN Nations

Investment and Trade ties between China and ASEAN are substantial and increasing. However, most exports from China and ASEAN rely mainly on Japanese, European and American markets. The composition of their principal export goods, especially clothing and textiles and other manufacturing products with a high labor force, are also overlapping. As Chinese producers ascend the technology, the overlap extends through electrical goods, which had initially been driven by a range of ASEAN nations. China and ASEAN are competing in the industrial industry for foreign direct investment, and they do not have a significant volume of cross-border investment. At the same time, Southeast Asian investors made some big investments in China. Like North America and Europe's

main economies, ASEAN nations have concluded hundreds of individual free trade agreements within and outside Asia. Last decade, ASEAN led a proposal for integrating five of its agreements in the so-called Regional Comprehensive Economic Partnership (Korea, Japan, India, China, New Zealand, and Australia). In 2012, the negotiation of RCEP was initiated and was planned until the end of 2015. RCEP proponents proposed that Asia is the central point of global trade development over the past decade, enhancing economic integration. Detractors oppose that RCEP is likely to be an ineffective arrangement that will affect the regional economic relations for the heterotic States of ASEAN (Qi, 2013). RCEP lacks certain advanced United States exchange provisions, such as intellectual property, automated products, and regulatory integration legislation. Also, skeptics argue that China may dominate the creation of the RCEP, despite China's official policy of deferring ASEAN as the regional integration leader.

The United States is seeking a high-standard mega-regional trade deal with eleven other nations (including Peru, New Zealand, Japan, Mexico, Chile, Canada, and Australia) in the Asia Pacific with four ASEAN nations- such as Vietnam, Singapore, Malaysia, and Brunei - that are a party to the Trans-Pacific Partnership (TPP). As far as the breadth and complexity of its requirements are concerned, TPP stands apart from RCEP and does not involve China. While TPP has several reasons, most exclusive to the economy, it may, given China's increasing presence, also be indirectly influenced by the power balance in the Asian area in strengthening the United States' partnerships. Japan's inability to free up its agricultural sector and America's failure are the key obstacles in concluding a meaningful TPP agreement. In 2013, ASEAN trade with nations outside the Bloc was mostly (75.8 percent) a tribute to trade openness in the region (Association of Southeast Asian Nations, 2014). China has become the biggest trade partner of its kind. Many ASEAN representatives have set up combined supply chains with North-East Asia and China, primarily in reaction to China developing as the world's development and assembly center. ASEAN has also expanded its share of Chinese trade. The fact is that ASEAN trade in products with China has gone from a surplus in 2010 to \$45 billion after the agreement was signed in 2010. Concerning each trading partner, it is noteworthy that Vietnam has greatly increased the share of Chinese export and import flows from ASEAN in the last decade, although the share of Singapore has decreased. Instead of big investors in the other economies, both China and ASEAN are the key destinations for foreign direct investment. China was the main destination of Foreign Direct Investment for almost a decade among developing nations.

This time marked China's structural transition intensified, and its economy expanded rapidly. In 1999, the Chinese spent only 135,8 million USD in ASEAN, accounting for less than 1% of all ASEAN FDI flows. Indeed, considering ASEAN members' contributions in China, ASEAN is still a net investor in China. For that cause, ASEAN's role in China's investment cooperation is likely to be weighed up further to defend ASEAN investors' rights, reduce transaction costs and bureaucracy, and further extend the China-ASEAN investment regime.

Muhammad Usman Sahbzada

China's foreign investment outbound flow rose from just over 34 billion dollars (2003) to 525.7 billion dollars (2013) (Ministry of Commerce of China, 2014). Combining growing FDI outbound, China's foreign investment has slowed down steadily from \$46 billion (2006) to \$11 billion (2013). China's net FDI surplus has been rapidly cutting. At the same period, ASEAN's global FDI grew from 300 billion dollars (2003) to 1.5 billion dollars (2013). But in 2013, China made only 2.3% of the overall ASEAN FDI contribution. However, in 2013, ASEAN constituted 6.7 percent of China's global inventory outbound, totaling \$ 35.7 billion.

Challenges to the Partnership between China and ASEAN Nations

The China-ASEAN alliance has been elevated to a robust strategic collaboration by assuming that their engagement would generate a win-win outcome (Wang, 2011). The partnership between ASEAN and China has nevertheless reached a new stage and poses new challenges. The basis for ASEAN and China to function smoothly for community building is confidence, particularly strategic trust. China is rising and is going to carry on growing. How ASEAN is faced with a growing force like China is important since it is an increasingly powerful neighboring region. China realizes its ties with South-East Asia nations as a good unified ASEAN and considers ASEAN a trustworthy partner to manage this partnership and regional affairs. ASEAN should not suspect China's growing force and accept that it is dedicated to stable development and is committed to creating a society of shared destiny (Xinhua New, 2013). China is worried that if ASEAN adopts a plan for the balance of forces, allowing America and other foreign powers to join in South China's dilemma would weaken the pillars of strategic faith. The strategic relationship between ASEAN and China must add new cooperation agendas for collaborative projects and activities to minimize the difference in confidence between them (Li, 2015). China's economy has arrived at a 'fresh normal level' – moved by consolidation and a change in its guiding factors from a fast growth cycle to a low growth phase. Technology and commodity advancement and domestic demand could be the key motivating factor behind potential Chinese economic development. As a processing hub for foreign exports, China was the foundation of ASEAN and China's former development networks. ASEAN and China will have a chance to build a new system as the Chinese economy progresses into a higher stage based on a demand-driven innovation-based model. To develop production networks and import more from ASEAN, China can invest in ASEAN more. The Belt and Road Initiative (BRI) gives ASEAN and China a fresh way to further their economic relationship. The BRI is a modern form of production partnership focused on traditional guidance, development, and benefit-sharing concepts. The goals of the BRI would be: (1) continuity of policy through economic growth policies and initiatives, the planning of measures and policy promotion among partners; (2) convergence through infrastructure networks; (3) promoting commerce and investment in a

stable economic climate by improving trade facilitation and investment, and by removing trade barriers; (4) currency stabilization mechanism, funding, finance system, a loan information system, bond market growth, the creation of new financial entities, such as the Silk Road Fund, and other financial firms, all contribute to financial cooperation; (5) the exchange of citizens is facilitated by fostering academic and cultural interactions, staff collaboration, media cooperation, and voluntary programs to get public support (Ministry of Commerce, 2015). Avoiding war in the neighborhood of China is both an overarching geopolitical strategy and a significant strategic priority. Fighting, even territorial disputes, will never settle disagreements; it deepens hatred instead. Chinese traditional culture loves harmony and commends defusing inconsistencies to accomplish the goal of reconciliation. China has come to show its 'community of unity' with its growing faith. There are considerable threats to the conflict in the South China Sea. In particular, ASEAN and China must balance the global environment, prevent escalation, and improve cooperation between them. ASEAN should take a more constructive position in stabilizing the whole situation as an entity serving all of its ten Member States' desires.

Chinese Policy Forecast for ASEAN

As a rare and trustworthy strategic partner, China respects ASEAN. China has prioritized establishing ties with ASEAN while handling its dynamic partnership with each Member of ASEAN carefully. With the strategic perception that the ASEAN is a central player in regional affairs, China agreed to develop its formal alliance with ASEAN soon after the Cold War in 1991. In establishing its comprehensive ties with ASEAN, the economic relations are of significant importance to China. China first considered ASEAN a party in negotiating the Free Trade Agreement with ASEAN nations, which offered a role model for others. This strong economic cooperation is the basis of China's overall relationship with ASEAN. In helping to stable and strengthen ties with China, close economic relations and mutual interests between China and ASEAN played an important role. In 1991–2016, trade between ASEAN and China grew 60 folds, and the scope for further growth remains immense. Since China opened up, China's FDI flows became the primary outlet for ASEAN members (China-ASEAN FTA, 2020). In China, ASEAN nations set up 1,154 new firms, and USD 7.86 billion were spent, rendering it the second largest FDI source country in 2015, beating the European Union. Chinese investment in ASEAN hit 9.45 billion dollars in 2015. ASEAN figures reveal that after America, Japan, and the European Union, China is the fourth largest FDI basis. By 2015, the China-ASEAN direct investment had exceeded 160 trillion dollars. The BRI progress will highlight cooperation in production capacities, and ASEAN is the main area where China will cooperate in implementing production capacities (Guo & Li, 2016). At the same period, other ways of partnership and interaction have often grown strongly, ranging from tourism and education to culture. For starters,

Muhammad Usman Sahbzada

China became ASEAN's leading tourism source, which gave ASEAN a new economic development dynamism (China-ASEAN tourism, 2016).

Many new support agendas, such as the advanced ASEAN-China FTA, will further improve ASEAN and China's economic ties from the future viewpoint. The economic integration of ASEAN and China is likely to improve based on a more free-market context and greater industrial capability cooperation. Southeast Asia was once a conflict and war area. Still, ASEAN has grown into an integrated regional organization putting together all of the nations in the region to create stability and economic prosperity. Peace-building is becoming a shared priority for all ASEAN members, and ASEAN has continued to make strides and step ahead by collaborative efforts. Community building promotes ASEAN as a prosperous area and a network member, like China, to collaborate more constructively beyond South-East Asia. ASEAN societies are believed to be helpful to China. Regarding cooperation and dialog, China fully supports ASEAN in getting its allies from Asia-Pacific, East Asia, and the E.U. China sees the ASEAN-China track as important for developing an integrated economic partnership mechanism such as ASEAN-China FTA to resolve disagreements and establish peace and stability. China believes that ASEAN takes a strong role in the South China Sea problem's peaceful settlement as a strategic partner (Razak, 2015). Avoiding foreign power interference is vital because if the South China Sea problem becomes a part of the Power Game, then ASEAN will have less space to play a positive position in handling the conflict. Completing a COC system is a test case in which ASEAN and China will develop trust and collaborate closely in potential cooperation and regional peace. The gradual progress in the ties between the Philippines and China following a crisis due to the Philippines' arbitration of China surrounding various matters in the South China Sea has shown that both sides have trust and faith to manage their disagreements. Since ASEAN is the only regional group with rich community building expertise, it plays a key role in cultivating its spirit in East Asia.

Future Perceptions of the ASEAN-China Alliance

In the future, the China and ASEAN alliance may be a turning point. ASEAN members become part of China's economic operation to extend their exports to European markets while draws international investments from the multinationals that have been China's favored low-cost manufacturing location. With an aging population, Chinese real incomes are rising as an outcome of the One-Child strategy. At the same period, ASEAN developers will witness the emergence of a consumer-oriented middle class that will change their economic operation from export-oriented to domestic consumption. For several ASEAN nations, in particular, Thailand, tourism is a major source of service exports. In 2012, the second-largest community of Chinese tourists to the ASEAN nations numbered almost 10 million, while America's number 7 was almost three million (Association of Southeast Asian Nations, 2014). Any trade advantages must be

balanced against safety pressures. In the South China Sea, China engages with five ASEAN members: Vietnam, Philippines, Malaysia, Indonesia, and Brunei in territorial conflicts. Simultaneously, the Chinese leadership has displayed a bright new direction for the Asia Pacific through new policies and institutions. First, China has led the creation of two organizations, the Asian Infrastructure Investment bank (AIIB) and the New Development Bank (NDB), that could change foreign investment calculation. The NDB funded \$50 billion, including financing for social care, humanitarian aid, policy loans, and funds to nations impacted by war to be particularly advantageous to developing countries (Raj & James, 2014). In several developed countries, the NDB enhances energy, infrastructure, connectivity, and water-fields of the significant deficit. The AIIB would mandate to help regional connectivity and economic partnership infrastructure initiatives (Jonathan, 2014).

China has a stronger influence in the operations than other multilateral financing organizations, such as the World Bank; this may have widespread repercussions for the future of ASEAN-China ties. The AIIB is scheduled to be followed shortly by nine ASEAN members, with Indonesia, the sole holdout. Observers anticipate the NDB to adopt Chinese investing policies and less focus on developing the climate, social growth, and governance in a lender country which eventually encourages corruption in Cambodia and Myanmar (Economist, 2014). China aims to build two large networks of cross-connected infrastructure and trade. The progress of China's plan is sponsored particularly by its Asian neighbors, ASEAN. It is desperately required to settle the maritime territorial conflicts, and China has used its immense financial capacity to persuade and gain help for its neighbors. In 2010, China began an ASEAN-China Investment Cooperation Fund with an Infrastructure Project Encouragement Mandate. Lastly, the Chinese prime minister Li Keqiang proposed \$20 trillion in regional infrastructure loans at the Myanmar Summit in 2014, which was held between ASEAN and China (Xinhua, 2014). China has had all the APEC participants (Asian-Pacific Economic Cooperation) formally support the Asia-Pacific Free Trade Region in 2014. While it shows China's contribution to a free trade region involving the U.S., it is not evident if China will cooperate with its TPP counterparts to the high expectations that the U.S. has demanded. In particular, the Chinese pursuit of the Free Trade Region may weaken the U.S. attempts to complete the TPP because most of the region's main economies are interested in both negotiations. If the Free Trade Region is carried out, Chinese policy could be influenced in such negotiations by the several bilateral agreements that are currently being signed. The talks between China-America, which started in 2013, hint at whether China will comply with the high-end regulations. China concluded bilateral FTAs with Australia and South Korea, giving these countries exclusive access to their markets in specific fields, such as retail and technology. In 2012, the China-Canada BIT did not cover America's desires, such as national pre-establishment care for international companies entering China (John & Brenda, 2012). Fuel and mineral resources are an

Muhammad Usman Sahbzada

evolving trade domain between China and ASEAN that is less affected by trade agreements. Singapore acts as an Asian oil trading center with extensive port and refining facilities between Northeastern Asia and the Indian Ocean. Indonesia does not have a large petroleum supplier but may satisfy China's rising demand for liquefied gas, biofuels, and quality coal. Fuel accounts for a substantial proportion of products into China for many other nations in this block; some of these numbers may represent refined fuel originally imported from Africa and the Middle East as crude oil. There are also several copper nonferrous metals in the block, which China is now the largest user. Mining is ongoing in some of the poorest areas of ASEAN, such as Myanmar and Cambodia. One of ASEAN's main problems is to ensure that nations at varying stages of growth are incredibly loose in their accumulation. The World Bank lists Brunei and Singapore as high-income economies, and the eight other ASEAN participants are emerging economies (Tim & Nyan, 2014).

India-ASEAN Trade

ASEAN imports from India raised to \$25.20 billion in 2016. The effect of this is a compound annual rise in exports to the ASEAN of about 9.2 percent and almost 14 percent per year in import revenue. Similarly, India's trade deficit to ASEAN rose to US\$14.6 billion. As far as market share is concerned, India's total ASEAN imports rose to 10.5 percent in 2015-2016 (Import Export Data Bank, India). Singapore accounted for over 50 percent of Indian overall exports to ASEAN in 2005-2006, with a market share of 13 percent. In 2015-2016, ten years after the ASEAN export shares, they shifted significantly in the shape of 31 percent (Singapore), 21 percent (Vietnam), 15 percent (Malaysia), 12 percent (Thailand), and 11 percent (Indonesia) for India's overall exports to the ASEAN. ASEAN's share of overall Indian exports decreased to 9.6 percent in 2015-2016 (Department of Commerce, India). On the import side, the combined share of ASEAN imports from four nations (Thailand, Malaysia, Indonesia, and Singapore) remains strong but fell 3 percent till 2015-2016. The proportion of Indian export to ASEAN was roughly 15 percent (oils) and 10.5 percent (meats). Other ASEAN top exports were transport machinery, chemicals, nonferrous metals, steel, and pharmaceutical, which are part and parcel of the overall exports (ASSOCHAM, 2016). The notable factor was the decade's growth, facing extreme rivalry, in some high-end exports manufactured in India's overall exports. That involves nonferrous metals, shipping services, and medications. In comparison, India's imports are concentrated and controlled by oil, gas, electronics, pesticides, and electrical appliances. Imports of raw materials and plastics, in particular, rose to 4.4 percent in 2015-2016 (Import Export Data Bank, India).

Investments and Joint Projects between ASEAN and India

The major transition has prompted India to concentrate on deepening and multi-faceted ASEAN relations in its economic and political scenario and India's march towards economic liberalization from the 1990s. The quest for an economical room in India contributed to the Look East Program. Today, Look East is a complex, action-oriented East Policy Act. The regional economic cooperation and FTA in East Asia have been a significant ASEAN axis. ASEAN's good fundamentals have continued to draw foreign investors' investment. India, one of the world's promising markets and top investor destinations. The Indian economy's size, expanding middle class, increasing sales, and immense expenditure needs are attractive investment prospects for India's infrastructure investment. The government aims to increase India's manufacturing sector's share up to 8 percent by the end of 2022 in fostering work opportunities (Ph.D. Research Bureau, 2019). In India, *Render and the Simple Doing Business* is being followed by Central Governments vigorously by reducing complicated processes, opting to have them digitally on a common portal, simplifying ways and formats. ASEAN-India investment and trade ties between India and ASEAN have gradually grown over several years. In 2010, India started an ASEAN Free Trade Agreement, contributing to an improvement in its commodity trade. If India extends its scope into ASEAN, expenditure in the manufacturing and services sectors will strengthen bilateral trade volumes. India and ASEAN's total GDP amounts to 5.7 trillion USD (Ph.D. Research Bureau, 2019). India attaches considerable importance to the ASEAN region's investment, commerce, and business cooperation. ASEAN and India reportedly have USD 97 billion of mutual trade in 2019.

Investment flows in both directions are also important, as ASEAN has accounted for some 21% of FDI in India since 2000. However, Southeast Asia firms provide tremendous prospects in fisheries, medical equipment, and ships' construction to expand India's investment. The relaxation in Indian laws proved beneficial for attracting investment. FDI equity inflows into India from ASEAN economies amounted to US\$ 91 billion between 2000 and 2019. More than 97% of overall flows from FDI in India come from Singapore and another 3% from South-East Asia nations. The Substantive Economic Cooperation Agreement between Singapore and India has boosted the two nations' increasing relationship. Companies from ASEAN and India should facilitate joint projects and start-up organizations to boost economic cooperation between the two areas (Ph.D. Research Bureau, 2019). In the Indian MSME sector, ASEAN companies will obtain certain funding and rewards to improve their participation. Increased investments in different sectors such as shipbuilding, fishing, and airlines can be accomplished by cooperation, promoting India's and ASEAN economies' development and growth. To expand the trade between ASEAN and Indian economies, joint investment and development opportunities must be exploited. MSMEs make up 40% of the overall manufacturing output in India. Indian Small

and Medium Companies are the major productions of Indians (Ph.D. Research Bureau, 2019). In the future, attempts should be promoted to establish an arrangement between ASEAN and India to promote collaboration between the two regions' SMEs. It will provide the MSME business in a structured context and climate to consider the capabilities, policies, technology, economies, etc. This arrangement will permit companies to pursue collaboration and support each other and establish sustainable collaborations in the MSME sector between the two areas, in terms of joint projects and transfer of technology.

Invest India project intends to encourage India's investment and foster trade gains between ASEAN and India. The mandate is to promote and execute investments from the appraisal of business prospects, regulatory consultation, and advocacy policy. This network has been enlarged to involve a variety of ASEAN firms. A 91 billion dollars FDI has been obtained from ASEAN nations since 2000, which will rise in the coming years. India Investment Grid is a big Invest India project. It is an investment portal for prospective buyers in the world and throughout industries. Make India is a chance for ASEAN to invest in more and more. In the future, the growth of regional supply chains will extend ASEAN-India economic cooperation more rapidly. By increasing consumer access among nations, regional value chains reinforce international cooperation. Integration into international supply chains results in advantages for participating nations such as trade costs and lowered production. The advantages are deregulated, and the output is fragmented in many places. Several policy initiatives facilitate the convergence of the supply chain, such as competitiveness policy, services, resources, liberalization of products, trade facilitation, and infrastructure efficiency-one of the major factors that enable economies to be integrated by connecting them to global supply chains. Value chains are theoretically established between ASEAN and India in textiles, as the latter imports cotton from India. Another region of potential cooperation between ASEAN and India in the development of a value chain in fibers. As a global center for R&D, India is vital for any value chain. In value chains, ASEAN and India may utilize their complementarity. India will prove one of the better options for technology and host as many technology R&D centers as possible beyond its borders. It would improve both ASEAN-India development, exchange, and investment prospects. Therefore, ASEAN has a large share in Indian foreign trade, and both regions operate very well in terms of reciprocal cooperation and joint projects. Both India and ASEAN must implement appropriate policies to remove trade barriers and reduce constraints on improved capital inflows to promote joint enterprises abroad. ASEAN-India trade on two sides is gradually growing. Both India and ASEAN have shown willingness to increase intraregional tourism and affirmed their dedication to cultural factors. Private companies on both sides would work closely to improve the trade in services and the rise in agriculture and development. Further strengthened and harmonized trade and investment ties between ASEAN and India would deepen infrastructural and institutional interconnections (Ph.D. Research Bureau, 2019).

Global Trade Competition with ASEAN Nations between China and India

India and China compete in Asia for power and influence; however, all have similar objectives: regional peace, benefit of globalization and capital access, the war against terrorism, climate change union, nuclear arms development, etc. In the region's balance of U.S. influence and the increase of its agreed placement with a single superpower, cooperation between China and India would also be more efficient. Providing financial support to Southeast Asian nations, India creates new markets for their products and favorable conditions for entering Indian companies in Southeast Asia, effectively boosting bilateral trade growth (Galistcheva, 2011). It is evident that Southeast Asia has a rich resources foundation, considerable science and technological potential base, and is strategically important to India. In this field, India is following an ambitious technical aid program and concessional loan infrastructure projects (Galistcheva, 2016). It also offers consultative and training programs, etc. The launching of special classes on the participating nations' diplomats' skills was declared at the fourth ASEANIndia Summit, held in Malaysia (2005). The summits were held to establish construction plans for enterprises' growth and the Centers for Entrepreneurship Development. India intends to improve its position in Southeast Asia by providing the nations with financial resources for improving their transport infrastructures (Galistcheva, 2013). The government of India, for example, offers financial assistance for Laos in the execution of ventures in the energy sector and the redevelopment of architectural icons. India has installed water pumps, irrigation systems, and power lines in Cambodia based on soft loans. Indian financial aid is primarily allocated to the Indonesian financing conditions in technological support and reducing natural disaster implications (Galistcheva, 2016). A substantial proportion of India's financial aid towards Myanmar helps liquidate the impact of natural disasters, particularly on subsidy conditions. India's financial assistance strategy to Southeast Asian nations intends to consolidate India's economic roles in the region and make it more strategic. Professor Francine stated that the Indian Government's "Look Eastern" strategy was planned to establish bilateral relations with strained China, a fresh round of China-India competition in Asia (All Answers Ltd, 2018). China's financial help to ASEAN nations has the same shape. Chinese Prime Minister Li Keqiang went to the ASEAN Plus Three Summit in Myanmar (2014) and offered loans to Southeast Asia to construct regional infrastructure. It is also worth \$3 billion for the ASEAN-China Investment Cooperation Project, which finances energy projects and facilities in ASEAN member nations (Tiezzi, 2014). As part of an extended ASEAN-China free trade pact, China also pledged to grant ASEAN investors preferential care. The financial drive is part of a scheme to enable ASEAN nations to see China's advent as a boost for their neighbors and the region in general. Several ASEAN members - Vietnam and the Philippines, most

Muhammad Usman Sahbzada

notably - have long-standing territorial disputes with China. The late significance of Beijing to maritime success has brought more conflicts in the region. China also granted financing of 3.6 bn Yuan for the ASEAN's developing nations in 2016 and issued US\$10 bn of loans for ASEAN infrastructure projects (MID KNR, 2016). However, India has always been suspicious of China; the Chinese remain doubting India's potential actions and policies. China's opinion of India as playing the position beyond South Asia or equivalent to China would not be satisfied. For instance, China is not promoting India's ambitions to play a more vibrant role in East Asia. China recommends that India stay in South Asia, while India's suggestion should be a leading force in global relations is lip service. Singapore and America, not China, backed India's entry to the ASEAN Regional Forum.

Between China and India, there is increasing geopolitical competition for domination and influence in Asia. The main security contractor of Pakistan is China. Beijing is Myanmar's main source of military assistance. Myanmar has recently stepped on with trade and policy with India as well. India finds itself in South Asia as a regional engine. It enhances trade links with Bhutan, Nepal, Bangladesh, and Sri Lanka. Investment is a war between the two countries. Due to safety issues, India has blocked Chinese investment in transportation, telecom, and ports and rendered it impossible for Chinese workers to secure visas to operate in India. India's trade shortcoming for 2014-2015 was 55% of India and China's overall trade. In 2016, both nations planned to spend \$100 billion in double-trade, but just \$20 billion had been spent by China (Mehraj, 2013). Both sides will do little to destabilize their current bilateral economic and other ties in the medium term. In the longer term, though, a range of problems ranging from frontier issues to encirclement strategy is expected to be dealt with and even combated between the two Asian giants. Nonetheless, these two nations' rivalries' essence and scale can be resolved by how their influence, attitudes, and defense strategies impact economic, domestic, and diplomatic trends. It is probable to say and be affirmed that India and China will finally cooperate when their reciprocal policy on confinement continues to yield more flexible outcomes. To date, the two states wish to continue their status quo based on their future fiscal, political, strategic, and military growth while retaining as fluid and improvable rivalry and competitiveness as possible.

Conclusion

China-ASEAN economic ties have expanded significantly, gaining from its trade transition, trade liberalization, and economies' resources. The development of investment and trade ties began in the mid-1990s and continues to develop steadily. The crucial explanation for this development is the vitality of the Chinese economy and ASEAN nations' economies. There are separate exports and imports of goods in the ASEAN-China exchange. The economic relations between them were only stronger due to the geographical neighborhood with a

India and China's trade ties with ASEAN Nations

long trade history. It is important to remember that the ASEAN Collaborations Initiative, the Belt and Road Initiative, and ASEAN-China's free trade region provide additional power to hold China in the lead. As for India, ASEAN's plans to develop political and economic ties with neighboring nations have been involved in this region. India and ASEAN have steadily sponsored improved diplomatic ties, international exchange, and Global funding. The bilateral exchange between ASEAN and India improves significantly following the FTA introduction. India has been ASEAN's main collaborator now. It is the outcome of India's "Look East" strategy to improve economic ties with East Asian nations and strategic relations in the region. There are three Cs: Conflict, Competition, Cooperation in China-India relations. It can be claimed that India and China are more likely to collaborate, which took both nations closer together. The political gaps between them are large and unable to be fully overcome in the immediate future. In terms of ties with ASEAN nations, the services industry has equal significance for India and China; its rapid growth is almost the same. Both nations offer considerable consideration to ventures in I.T., transportation, housing, etc. However, several issues will have to be overcome in the near term to carry the partnership in the field of operation to a higher stage. As for the investment market, infrastructure is the main sector in ASEAN, which requires a great deal of private foreign investment. Nations of the area are maintaining a stable service system for firms and household sectors. About China, Chinese players are not only constructing but spending in ASEAN countries, managing and buying infrastructures. To increase strength, China has developed a variety of investment funds to provide additional investment resources. These measures are seen as a means of strengthening the regional association's financial and diplomatic cooperation. It stressed again that the scope of IndiaChina's challenges is sufficiently different to generate complex national policies if we want to speak about the partnership between them. China and India would most definitely have the responsibility to protect, discourage, and reassure each other simultaneously, in the vicinity of many players of their own choice, restrictions, and ability. In that sense, China and India are more to be decided by a struggle than by cooperation, but those conflicts do not, like in the cold war, become malignant rivalries. This weakness should not conflict with freedom of operation because India and China appear to be subordinate states in the global structure. They have sufficiently different Asian strategic directions to provide hope to escape unveiled confrontations and have the security potential to bring about reasonably robust supremacy of defense with conventional powers and geographical nuclear weapons. Finally, China-India future ties will, on a long-term basis, appear to have rival ties and, thus, each one will look to find a security bond with a distinctive superpower. However, culture and nationalism's evolving agents are enigmatic chemistry; size and power justify status and control. China and India might find themselves attracted to potential regional disputes or interfere in neighboring nations because of any threatening turmoil intervention.

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Muhammad Usman Sahbzada

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