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Examining China's Asia-Oriented Policy and Its Impact on the Regional Convergence Process in South Asia

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ABSTRACT

South Asia, as one of the world's key geopolitical regions, has witnessed significant developments in its economic and political relations in recent decades. Within this context, China's Asia-oriented policy, as a central component of Beijing's foreign policy, has played a decisive role in shaping the structure of regional cooperation and competition. The present study aims to examine the impact of China's Asia-oriented policy on the process of convergence in South Asia. The research method is descriptive–analytical and based on library and documentary sources. The theoretical framework of the study is grounded in institutional neoliberalism, neofunctionalism, and dependency theories in order to analyze the economic, political, and security dimensions of this policy. The findings indicate that China's Asia-oriented policy—through initiatives such as the Belt and Road Initiative (BRI), the Asian Infrastructure Investment Bank (AIIB), and the China–Pakistan Economic Corridor (CPEC)—has resulted in the expansion of economic linkages and the increase of interdependence at the regional level. However, geopolitical rivalry between China and India, concerns over Beijing's economic dominance, and the emergence of heavy debt burdens in smaller states have contributed to heightened distrust and political–security divergence. The overall conclusion of the study is that China's Asia-oriented policy has a dual effect on convergence in South Asia: facilitating convergence in the economic dimension while hindering it in the political and security dimensions. Ultimately, genuine regional convergence in South Asia requires strategic balance between China and India as well as the strengthening of regional institutions independent from the influence of major powers.

Keywords: *China, Asia-oriented policy, regional convergence, South Asia, India, Belt and Road Initiative (BRI)*

Introduction

South Asia, as one of the sensitive geopolitical regions in the international system, plays a key role in the global balance of power. This region—which includes India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, the Maldives, and Afghanistan—is located at the intersection of the Central Asian, Middle Eastern, and East Asian subsystems, covering the strategic area between the Indian Ocean, the Persian Gulf, and the South China Sea (1). The geopolitical importance of this region can be examined from several dimensions: first, its geographical position as a connecting corridor between East and West Asia; second, its high population concentration, with more than one-fifth of the world's population; and third, its potential capacities in the fields of energy, trade, transit, and

consumer markets. These factors have transformed South Asia into one of the key nodes in global economic and security interactions (2).

Despite this significance, South Asia has continuously faced chronic and structural challenges. Historical disputes between India and Pakistan, especially over Kashmir, military and ideological rivalries, widespread poverty, and deep social inequalities are among the major obstacles to regional stability. More than half of the population of this region lives below the poverty line, and a large portion of its countries are classified as less-developed economies (3). This situation has resulted in the slow and often unsuccessful progress of regional integration efforts despite the establishment of institutions such as the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). Border disputes, political crises, and heavy economic dependence on external powers have prevented the formation of mutual trust among regional states (4).

Within this context, China—as a rising Asian power—has acquired a unique position in the geopolitical dynamics of South Asia. Since the beginning of the twenty-first century, Beijing has attempted to expand its economic, political, and security influence in the region through its “Asia-oriented policy” and the “Belt and Road Initiative” (BRI) (5). China’s Asia-oriented policy is founded on principles such as peaceful development, non-interference in domestic affairs, and strengthening regional cooperation (6). However, many analysts argue that the expansion of China’s influence among smaller South Asian countries—such as Pakistan, Nepal, and Sri Lanka—has raised concerns in India and intensified geopolitical competition between the two Asian powers (7). This competition has exacerbated political and security divergence and undermined the prospects for regional integration.

Historically, South Asia has also been a battleground for extra-regional powers. During the Cold War, the rivalry between the United States and the Soviet Union for influence in the subcontinent shaped the region’s security structure. In the contemporary era, the active presence of China, India, and the United States in economic and military spheres has produced a new pattern of “regional multipolarity,” generating direct implications for stability and cooperation among regional states (8). Consequently, South Asia’s pursuit of regional integration continues to face difficulties due to great-power competition, political mistrust, and weak cooperative institutions.

The existing research gap lies in the fact that most previous studies have focused either on India–China rivalry or on India’s role in regional integration, while the direct impact of China’s Asia-oriented policy on the process of regional convergence in South Asia has received less scholarly attention. The central research question, therefore, is: What effect does China’s Asia-oriented policy have on the trajectory of regional convergence in South Asia?

Based on this, the article hypothesizes that although China’s Asia-oriented policy creates economic opportunities through investment and infrastructural connectivity, it has—in practice—led to intensified competition, mistrust, and regional divergence. This divergence, especially through geopolitical confrontation between China and India and the increased economic dependency of smaller states on China, has weakened the process of regional convergence in South Asia.

Theoretical and Conceptual Framework

Analyzing the impact of China’s Asia-oriented policy on regional convergence in South Asia requires engagement with foundational theories that explain convergence, dependency, and regional competition. Given that South Asia is characterized by a mix of cooperative and conflictual interactions among states, the theoretical framework of this study draws upon three major perspectives: neoliberal institutionalism, (neo)functionalism, and dependency theory.

These approaches, through their emphasis on institutional interaction, economic interests, and structural power relations, help illuminate the mechanisms through which China's policy influences patterns of regional convergence.

Neoliberal Institutionalism

Neoliberal institutionalism is among the most significant theories explaining cooperation among states in the international system. This theory—contrary to the realist view that considers international relations to be inherently conflictual—emphasizes the role of international institutions in reducing mistrust, facilitating cooperation, and managing mutual interests (9). According to this approach, states can form cooperative arrangements even in an anarchic environment when institutional mechanisms improve information flow, reduce transaction costs, stabilize expectations, and create common rules (10).

In this context, regional convergence in South Asia can be evaluated through the functions of institutions such as SAARC and BIMSTEC. Although these institutions were designed as platforms for economic and security cooperation, they have largely failed to achieve their objectives due to rivalry among major regional powers—particularly China and India. From a neoliberal institutionalist perspective, China's Asia-oriented policy, through tools like the Asian Infrastructure Investment Bank (AIIB) and the Belt and Road Initiative, could theoretically strengthen regional institutionalization; however, when relative gains outweigh absolute gains, sustained cooperation becomes unlikely (11). This is precisely the situation observed in China–India relations.

Functionalism and Neofunctionalism

Functionalism was first proposed as a response to the failure of purely political cooperation in the post–World War II era. David Mitrany argued that peace and cooperation among states would be achieved not through political agreements, but through collaboration in technical, economic, and non-political spheres. Such cooperation would gradually spill over into political domains and lead to the formation of supranational institutions.

Neofunctionalism, developed by Ernst Haas and Joseph Nye, further emphasizes the role of political elites and the benefits of economic cooperation in sustaining integration. Haas contends that elites support integration only when it aligns with their economic and security interests, and withdraw from it when it does not. Nye highlights the significance of functional linkages, increased economic exchanges, and elite socialization in advancing integration (12).

From this perspective, China's Asia-oriented policy can be interpreted as an effort to promote functional cooperation among Asian states. Projects such as the China–Pakistan Economic Corridor (CPEC) and China's infrastructural investments in Sri Lanka and Nepal exemplify functional economic cooperation that could theoretically promote integration. Yet, neofunctionalists warn that if such cooperation creates excessive dependency on a dominant power, spillover may lead not to integration but to structural divergence—an outcome visible in China's relations with Pakistan and Sri Lanka.

Dependency Theory

In contrast to liberal approaches, dependency theory emphasizes the structural inequalities between developed "core" states and developing "peripheral" states (13). This theory argues that economic and trade relations between major powers and weaker states do not foster balanced development, but instead perpetuate dependency and reproduce inequalities. Although China presents its Asia-oriented policy as a partnership for shared development

and “win–win cooperation,” dependency theorists view it as potentially generating a new structure of economic dependence.

A clear illustration of this dynamic is seen in China’s lending practices under the Belt and Road Initiative. Several small South Asian states have taken large loans from China to finance infrastructure projects, which in some cases have resulted in debt traps. An example is Sri Lanka’s Hambantota Port, which, due to the country’s inability to repay its debts, was leased to China for 99 years (5). From a dependency perspective, this reflects a new form of Chinese economic dominance in its Asian periphery, undermining genuine convergence and producing hidden patterns of regional divergence.

Thus, dependency theory helps explain the failure of convergence institutions in South Asia. While institutions like SAARC were created to enhance regional economic cooperation, the growing influence of China and India in the economic structures of South Asian states has shifted the region from cooperation to competitive spheres of influence (14).

Traditional and New Regionalism

In international relations literature, regionalism is generally categorized into traditional and new forms. Traditional regionalism, emerging after World War II with the formation of the European Economic Community, emphasized closed and inward-looking alliances. In contrast, new regionalism—developing since the 1990s alongside globalization—emphasizes multidimensional, open forms of cooperation (15). In new regionalism, in addition to states, non-state actors such as multinational corporations, financial institutions, and civil society organizations play active roles in the integration process (16).

Within this framework, China’s Asia-oriented policy can be viewed as an example of new regionalism because it includes not only economic and commercial cooperation, but also cultural, technological, and connectivity dimensions. The presence of Confucius Institutes, cooperation in education and media, and China’s communication and digital initiatives in South Asia reflect Beijing’s soft-power strategy toward cultural convergence in the region (17). Nonetheless, when these soft-power tools align with China’s economic and military influence, they produce an asymmetrical form of regionalism in which China occupies a central position and other states remain in peripheral roles.

China’s Asia-Oriented Policy

China’s Asia-oriented policy is one of the fundamental dimensions of its foreign policy in the twenty-first century, whose main objective is to consolidate China’s geopolitical and economic position in Asia and turn the country into a leading power in the regional and global order. In its trajectory from a developing power to a global actor, China has adopted the strategy of “Asia-centrism” as an instrument for stabilizing its influence in its surrounding environment. This policy has been formulated in continuity with Beijing’s broader foreign policy principles and under the influence of China’s historical and economic transformations.

Historical Evolution of China’s Foreign Policy

Since the establishment of the People’s Republic of China in 1949, the country’s foreign policy has undergone multiple transformations. During the Mao Zedong era, China’s foreign policy was centered on world revolution, independence from both the Eastern and Western blocs, and support for anti-colonial movements. In this period,

China pursued an ideological policy based on “isolation and self-reliance.” However, with the advent of Deng Xiaoping in the 1970s, this policy shifted toward “pragmatism and economic development.” Deng’s famous dictum—“hide your strength and bide your time”—reflected an emphasis on economic growth and the avoidance of political and military confrontations (18).

In recent decades, with China’s rapid economic and technological growth, the country’s approach has moved from a “passive foreign policy” to active regional and global diplomacy. Along this path, the Chinese government has sought to use its economic capacities as leverage to expand its political and security influence in Asia. This transformation, especially since the presidency of Xi Jinping, has reached a strategic and multidimensional level through the launch of the Belt and Road Initiative (BRI) and the establishment of new financial institutions such as the Asian Infrastructure Investment Bank (AIIB) (5).

Guiding Principles of China’s Asia-Oriented Policy

China’s Asia-oriented policy is based on a set of key principles that determine Beijing’s strategic orientation in dealing with neighboring countries. The most important principles are:

1. **Non-interference in internal affairs:** China presents itself as opposing any interference in the domestic affairs of other states and consistently highlights this principle in its external relations. This approach has led many South Asian countries—especially those with more fragile political systems—to welcome cooperation with Beijing.
2. **Peaceful development and peaceful coexistence:** Unlike past colonial powers, China emphasizes “peaceful development” and seeks to project a non-aggressive image in the region. This concept, which has persisted from the Deng Xiaoping era to Xi Jinping, implies that China is not seeking political domination but rather economic interaction and “win–win” cooperation (6).
3. **Multilateralism and regional cooperation:** Since the 1990s, Beijing has pursued a multilateral policy by participating in regional institutions such as the Shanghai Cooperation Organization (SCO), ASEAN+3, and various regional financial initiatives. The goal is to increase its influence and role in regional decision-making (19).
4. **Economic and infrastructural diplomacy:** The core pillar of China’s Asia-oriented policy is economic diplomacy and the Belt and Road Initiative, which focuses on investment in infrastructure, ports, railways, and energy projects to enhance connectivity and deepen the region’s economic dependence on China (20).
5. **Managing competition with major powers:** In its Asia-oriented policy, China has consistently attempted to avoid direct military confrontation with major powers such as India, Japan, and the United States, while maintaining economic relations with them and using soft and economic power to create a balance in its favor (6).

Economic Components of China’s Asia-Oriented Policy

The economy is the main engine of China’s Asian diplomacy. Since the 1980s, through the implementation of uneven development policies, China initially focused on the growth of its eastern and coastal regions and, later, in the 2000s, launched the “Develop the West” strategy to reduce domestic regional gaps. Within the framework of its Five-Year Plans, China has promoted more balanced regional development through projects such as the Yangtze River Delta and the Greater Bay Area (20).

In the external realm, however, China's Asia-oriented policy is centered above all on the grand Belt and Road Initiative (BRI), launched in 2013. This initiative consists of two main routes:

1. The Silk Road Economic Belt (land route), which connects China through Central Asia to the Middle East and Europe;
2. The 21st Century Maritime Silk Road (sea route), which extends from China's southern coasts to the Indian Ocean and the Mediterranean Sea.

BRI is designed around five key pillars—policy coordination, infrastructure connectivity, unimpeded trade, financial integration, and people-to-people exchanges (5). Due to its geostrategic position, South Asia is one of the vital axes of this initiative. Through BRI, China has established the China–Pakistan Economic Corridor (CPEC), which stretches from Kashgar in western China to Gwadar Port in Pakistan and constitutes a strategic route for Beijing's direct access to open waters.

From an economic perspective, this initiative not only facilitates China's access to Middle Eastern energy resources but also opens up a vast consumer market in South Asia for Chinese goods and investments. However, many critics argue that BRI serves as an instrument for expanding China's geoeconomic influence and binding host countries through heavy debts (2).

Regional Institutions under China's Influence

One of Beijing's key instruments in advancing its Asia-oriented policy is institution-building and expanding its influence over regional organizations.

a) Shanghai Cooperation Organization (SCO)

Established in 2001, the SCO provides a framework for security, economic, and cultural cooperation among China, Russia, and the Central Asian states. India and Pakistan later joined, and in recent years Iran has also become a full member. Through the SCO, China seeks to manage security threats such as extremism and terrorism along its borders, consolidate its influence in Central Asia, and strengthen cooperation with Russia (10).

b) Asian Infrastructure Investment Bank (AIIB)

The creation of AIIB in 2014 marked one of China's most important steps toward setting up financial institutions independent of the World Bank and the International Monetary Fund. With more than 100 members, including Iran, AIIB functions as one of the financial arms of the Belt and Road Initiative, investing in infrastructure projects in energy, transport, and communications across Asia (19).

From the perspective of analysts, AIIB has enabled China not only to bolster the international legitimacy of its economic policy, but also to steer the regional financial architecture toward a preferred order—one in which Beijing, rather than Washington and Western institutions, occupies the central decision-making position.

Security and Cultural Dimensions of China's Asia-Oriented Policy

In the security dimension, China's Asia-oriented policy is designed to ensure stability in its periphery and counter internal and external threats. Beijing is particularly concerned about the spread of extremism in Xinjiang Province and its possible spillover from Muslim-majority countries in South Asia. Consequently, it has expanded security cooperation with regional states, especially Pakistan, Nepal, and Afghanistan. Arms sales, military training, and joint exercises form part of this cooperation (7).

In the cultural sphere, China draws on the tools of soft power. The establishment of Confucius Institutes in South Asian countries, the provision of academic scholarships, language programs, and cultural exchanges are all components of its strategy to attract regional elites. This approach complements China's economic diplomacy and seeks to project a positive image of China as a developmental and non-aggressive partner (17).

Overall, China's Asia-oriented policy can be evaluated on three levels:

1. **Economic level:** Emphasis on the Belt and Road Initiative, infrastructure development, and investment diplomacy;
2. **Security level:** Managing border threats and expanding military cooperation with regional countries;
3. **Cultural and soft-power level:** Promoting Chinese language and culture as instruments of lasting influence.

Although this policy is ostensibly based on cooperation and joint development, in practice, due to the asymmetric nature of economic relations and geopolitical rivalry with India, it has produced a form of dependent convergence and political divergence in South Asia. By deploying economic and soft-power tools, Beijing has consolidated its position as the central power in the emerging regional structure, while South Asian states have become increasingly exposed to dependency on China.

Geopolitical Characteristics and Regional Convergence in South Asia

The Geopolitical Position of South Asia

South Asia is one of the most tense yet strategically significant geopolitical regions in the world. Covering an area of approximately five million square kilometers and hosting a population of more than 1.9 billion people—nearly one-fifth of the global population—it holds exceptional demographic weight (2). Geographically, the region is bounded by the Himalayan mountain range to the north, the Middle East to the west, Southeast Asia to the east, and the Indian Ocean to the south. This particular geographical configuration has transformed South Asia into a connective ring linking Central Asia, the Middle East, and East Asia, thereby granting it strategic importance in trade, energy, and security.

The geopolitical importance of South Asia can be examined through several dimensions. First is the maritime and energy-centered significance of the region. The Indian Ocean, which borders much of the southern coastline of South Asia, constitutes a transit route for more than 70 percent of global crude oil shipments. The Strait of Malacca, the Strait of Hormuz, and the Arabian Sea are three vital strategic chokepoints whose control and security are of paramount importance for global powers (1). Second is the region's geoeconomic centrality; countries such as India, Pakistan, and Bangladesh possess large consumer markets, and their low-cost labor holds great significance for global industries. Third is the geocultural and civilizational importance of South Asia, whose cultural, religious, and ethnic diversity plays a pivotal role in shaping Asia's intellectual and political transformations (18).

Chronic Regional Challenges

Despite these capacities, South Asia remains one of the least integrated regions in the world. A combination of historical, structural, and security-related challenges has hindered the realization of sustainable cooperation among its countries.

a) India–Pakistan Rivalry

The most significant factor behind regional divergence in South Asia is the historical conflict between India and Pakistan, rooted in the 1947 partition of the subcontinent. The two states have fought three major wars (1947, 1965, and 1971), in addition to several border confrontations. The Kashmir issue remains a “geopolitical chokepoint” that continues to destabilize any prospects of regional cooperation (4). Moreover, nuclear rivalry and the absence of mutual trust have placed regional institutions such as SAARC in a state of chronic stagnation.

b) Economic Weakness and Developmental Inequality

Despite India’s rapid economic growth over the past two decades, a large share of the South Asian population still lives below the poverty line. Economic inequality among regional countries has made collective economic cooperation difficult. For instance, India’s GDP in 2022 was more than eight times that of Pakistan and several dozen times greater than that of Nepal and Sri Lanka (3). This economic imbalance reduces the participation capacity of smaller states in integration institutions and pushes them toward economic dependence on larger powers such as China (14).

c) Cultural and Ethnic Diversity

South Asia is one of the most culturally, religiously, and linguistically diverse regions in the world. The region hosts more than 200 languages and numerous religions and sects. This diversity—despite being a source of cultural richness—has also generated ethnic, sectarian, and identity-based tensions. Religious conflict between Hindus and Muslims in India, ethnic disputes in Sri Lanka and Nepal, and linguistic divisions in Pakistan exemplify such internal challenges (12).

d) Extra-regional Interventions

Due to its strategic position, South Asia has long drawn the attention of extra-regional powers. During the Cold War, the region was a theater for U.S.–Soviet rivalry; in the contemporary era, the competition among the United States, China, and India reflects an emerging multipolar order (8). The U.S. military presence in the Indian Ocean, Washington’s strategic partnership with New Delhi, and China’s deep cooperation with Pakistan and Nepal have contributed to the rise of a new geopolitical polarization in South Asia (13).

Regional Integration Institutions in South Asia

In response to these challenges, regional states have made efforts to establish cooperative frameworks, the most notable being the South Asian Association for Regional Cooperation (SAARC) and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC).

a) SAARC

Established in 1985 to promote economic, cultural, and scientific cooperation among South Asian states, SAARC has remained largely ineffective due to India–Pakistan rivalry. Summit meetings have been repeatedly canceled or postponed due to political disputes. Particularly after the 2008 Mumbai attack and the intensification of tensions between the two countries, SAARC’s role has significantly weakened (4).

b) BIMSTEC

Comprised of Bangladesh, India, Myanmar, Sri Lanka, Thailand, and Nepal, BIMSTEC serves as a bridge between South and Southeast Asia. Unlike SAARC, it places greater emphasis on economic and transport cooperation, and in recent years India has used it as an instrument to counterbalance China’s regional influence (15).

Despite these efforts, political incoherence, unequal power distribution among members, and geopolitical rivalry with China have prevented these institutions from playing an effective and sustainable role in regional integration (17).

India's Role in Regional Convergence and Balance

India, as the largest and most populous state in the region, has long considered itself the natural leader of South Asia. New Delhi's foreign policy in recent decades has been shaped by the "Neighbourhood First Policy," aimed at strengthening economic and political ties with its South Asian neighbors (20). However, many regional countries view India's policy as a form of hegemonic ambition. As a result, smaller states have increasingly turned toward China in an attempt to balance their relations.

This geopolitical competition between India and China has produced two contrasting models of regional convergence:

• The **Indian model**, based on institutions such as SAARC and BIMSTEC, emphasizes intra-regional cooperation free from external intervention.

• The **Chinese model**, based on the Belt and Road Initiative, emphasizes extra-regional economic cooperation centered on Beijing's leadership (7).

Although complementary in theory, these two models have—due to geopolitical rivalry—transformed integration into structural divergence in practice.

Potential Capacities for Regional Convergence

Despite numerous obstacles, South Asia possesses significant potential for convergence in three main domains:

1. **Economic:** A young population, natural resources, transit routes, and access to the Indian Ocean provide major opportunities for commercial, industrial, and energy-related cooperation.
2. **Cultural:** Shared historical and civilizational ties, including Buddhist and Islamic heritage, offer a foundation for cultural cooperation and civilizational dialogue.
3. **Geopolitical:** The region's position between three major subsystems (the Middle East, Central Asia, and East Asia) enables it to serve as a strategic hub for regional projects such as the BRI and the International North–South Transport Corridor (INSTC) (18).

However, exploiting these capacities requires reducing political mistrust, strengthening economic institutions, and resolving historical conflicts.

Geopolitical Analysis of Regional Convergence

From a geopolitical perspective, South Asia can be conceptualized as an "open system" constantly affected by internal and external forces. The region's location means that any geopolitical shift in East or West Asia directly influences its security and development. For example, China's involvement in the Gwadar Port project and its investments in Sri Lanka and Nepal have not only altered the regional balance of power but have also heightened India's concerns about geopolitical encirclement (5).

In reality, regional convergence in South Asia is less economic in nature and more geopolitical. States often pursue economic cooperation while simultaneously fearing potential dominance by one another. This explains why even joint projects—such as railway or energy networks—frequently face hesitation and delays.

From this perspective, China's Asia-oriented policy has created a model of "hegemonic convergence," wherein Beijing uses economic tools to promote cooperation, yet due to power asymmetry, such cooperation often transforms into structural dependency (13).

Thus, South Asia occupies a complex position between opportunity and threat. On the one hand, its geopolitical significance, human and natural resources, and shared civilizational heritage could form the basis of sustainable integration. On the other hand, great-power rivalry, historical disputes, and institutional weakness restrict the prospects for cooperation.

Under these conditions, China's role as an extra-regional yet proximate actor is inherently dual: while its investments and infrastructure projects strengthen economic ties, its expanding geopolitical influence intensifies competition and mistrust.

Ultimately, regional convergence in South Asia will be possible only when interactions between China and India move from geopolitical rivalry toward structural cooperation, and when smaller states transition from dependent positions to autonomous regional actors.

Analysis of China's Asia-Oriented Policy and Its Impact on Convergence in South Asia

China's Asia-oriented policy over the past two decades has become one of the key variables in the geopolitical and economic equations of South Asia. Defined within the broader framework of China's grand strategy to restore its historical position as the "center of Asia," this policy embodies multidimensional objectives, including the expansion of economic influence, consolidation of peripheral security, and the projection of soft power. The impact of this policy on the process of regional convergence in South Asia must be examined at three levels—economic, security, and political–diplomatic—since it has produced contradictory effects in each of these dimensions.

Economic Dimension: Opportunity for Convergence or Dependency?

The economy is the primary dimension of China's presence in South Asia. By using instruments such as foreign direct investment, development loans, and the Belt and Road Initiative (BRI), Beijing has, in a relatively short period, turned into a major economic partner for many countries in the region (20). On the surface, this policy has led to an increase in economic and trade linkages at the regional level, particularly in countries such as Pakistan, Bangladesh, and Sri Lanka, where a significant portion of infrastructure has been developed with Chinese capital.

For example, the China–Pakistan Economic Corridor (CPEC) is one of the flagship BRI projects, designed to connect western China to the port of Gwadar on the Arabian Sea. With an investment volume of more than 62 billion dollars, this project includes the construction of roads, railways, power plants, and industrial zones (7). Such projects, at least in appearance, enhance the capacity for economic convergence by increasing trade, employment, and regional connectivity.

However, critics argue that this form of economic cooperation is structurally asymmetrical and dependency-inducing. Many South Asian countries, due to their heavy debts to China, face serious repayment challenges. A prominent example is the lease of Hambantota Port in Sri Lanka to China for 99 years, which in the international relations literature is described as "debt-trap diplomacy" (5). This situation not only threatens the economic independence of these states, but also places them in a subordinate position vis-à-vis Beijing's policy preferences (14).

Moreover, in implementing its Asia-oriented policy, China has developed closer cooperation primarily with smaller South Asian states, while remaining in overt competition with India, the region's main economic power. This has meant that Chinese economic engagement, instead of fostering inclusive regional convergence, has contributed to new economic and political polarization in South Asia (18). In effect, through selective investment in like-minded or strategically important states, Beijing has promoted a form of dependency-based convergence whose continuity depends on the shifting balance between India and China.

Security Dimension: From Counterterrorism Cooperation to Geopolitical Rivalry

South Asia has long been one of the most unstable regions in security terms. The expansion of extremism, ethnic conflicts, and the presence of terrorist groups constitute direct threats to China's security, especially given the volatile situation in Xinjiang Province and the potential influence of Islamist movements across the borders with Pakistan and Afghanistan. Consequently, within the framework of its Asia-oriented policy, Beijing has adopted a security-centered approach toward South Asia (6).

In the past decade, China has expanded its military and intelligence cooperation with Pakistan, Nepal, and even Sri Lanka. Joint counterterrorism exercises, training of military personnel, and arms sales—particularly to Pakistan—form part of this growing security cooperation (7). On the one hand, these arrangements have increased security coordination between China and certain regional states; on the other hand, they have sharply intensified India's concerns. New Delhi views these developments as Beijing's attempt to construct a "geopolitical encirclement" of India in the Indian Ocean (8).

Specifically, projects such as Gwadar Port in Pakistan, Hambantota Port in Sri Lanka, and Chittagong Port in Bangladesh are interpreted by Indian analysts as elements of China's "string of pearls"—a concept referring to a network of China-linked potential maritime bases in the Indian Ocean (13). Although Beijing presents these projects as purely economic, India and its partners (including the United States and Japan) see them as having clear geostrategic implications and as facilitating the expansion of China's military presence in India's near abroad.

As a result, the security dimension of China's Asia-oriented policy has, instead of facilitating convergence, contributed to deepening mistrust and military rivalry in South Asia. In recent years, border clashes between China and India in Ladakh and the Doklam corridor, as well as rising defense expenditures in both countries, bear witness to this centrifugal dynamic.

Political and Diplomatic Dimension: Competition for Regional Influence

In the political–diplomatic arena, China has sought to consolidate its position as a reliable partner for Asian states by leveraging soft diplomacy and multilateralism. By emphasizing principles such as "peaceful coexistence" and "non-interference," Beijing has attempted to project a favorable image of itself, while the United States and India are often perceived through a hegemonic lens (17).

China plays an active role in regional institutions such as the Shanghai Cooperation Organization (SCO), the Asian Infrastructure Investment Bank (AIIB), and regional platforms like BIMSTEC and ASEAN Plus mechanisms. These institutions function as tools for legitimizing China's leadership role in the broader Asian region (19).

In contrast, India has sought to curb China's influence in South and East Asia by strengthening BIMSTEC and building new security coalitions such as the Quad (comprising the United States, Japan, Australia, and India). This process has generated a form of institutional rivalry between the two major Asian powers:

• China attempts to build institutions tied to the BRI-centered economic order;

• India emphasizes political and security institutions that are structurally independent of China (18).

The outcome of this rivalry has been institutional and political divergence in the region, forcing smaller states to choose between two primary poles—China and India. Under these conditions, regional institutions such as SAARC have fallen into chronic stagnation, as neither of the two major powers is willing to accept the other's influence within the decision-making structure (4).

Cultural Dimension and Soft Power

China's Asia-oriented policy is not confined to economic and security instruments; over the past decade, Beijing has increasingly relied on soft-power tools to expand its cultural influence. The establishment of Confucius Institutes in Bangladesh, Nepal, and Sri Lanka, the granting of academic scholarships, Chinese language training, and the organization of cultural programs are all elements of this strategy (17). The aim is to construct a "positive image" of China in public opinion, thereby reducing political resistance to Beijing's economic penetration.

In practice, Beijing seeks through soft power to narrow cultural gaps between itself and Muslim or Hindu societies in South Asia. This approach falls under the broader concept of "China's public diplomacy," which stresses civilizational dialogue and shared Asian values (6). Nonetheless, given widespread regional sensitivities regarding China's policies in Xinjiang and its treatment of Uyghur Muslims, this cultural diplomacy has encountered skepticism in some South Asian societies.

The impact of China's Asia-oriented policy on the regional convergence process in South Asia can thus be summarized in three key propositions:

1. **Dual impact:** On the one hand, China's policy, through economic investments and infrastructural connectivity, has increased economic interdependence; on the other hand, geopolitical rivalry with India and fears of Chinese economic dominance have fueled political distrust and security-related divergence (20).
2. **Dependent convergence:** The pattern of convergence generated by China's policy is predominantly economic and technical rather than political or cultural. Due to the absence of a genuine balance of power among participants, this form of convergence has, in practice, created a type of "structural dependency" that may produce long-term instability (13).
3. **De-institutionalization of regional cooperation:** The China–India rivalry has effectively weakened existing regional institutions such as SAARC and has fostered alternative mechanisms in the form of bilateral or minilateral initiatives under each power's influence. Consequently, regional convergence has shifted from a bottom-up process to a top-down, power-driven project (19).

Overall, China's Asia-oriented policy can be seen as having a dual function:

• In the economic dimension, it acts as a driver of cooperation and regional connectivity;

• In the political and security dimensions, it operates as a factor that intensifies competition and divergence.

Therefore, the realization of genuine regional convergence in South Asia is contingent upon establishing a more balanced China–India relationship, enhancing transparency in BRI's financial mechanisms, and strengthening multilateral institutions that are independent of the major powers.

Conclusion

Political and economic developments in South Asia over the past two decades demonstrate that China's Asia-oriented policy, as one of the key variables shaping the emerging regional order, has had a profound impact on the dynamics of convergence and divergence in the region. Although this policy—implemented through the broader framework of the Belt and Road Initiative (BRI) with an emphasis on economic, infrastructural, and cultural cooperation—appears to promote development and regional connectivity, in practice, due to power asymmetry, geopolitical rivalry with India, and the financial dependency of smaller states, it has produced dual effects on regional convergence.

Based on the findings of this study, the impact of China's Asia-oriented policy can be analyzed at three levels:

1. **Economic level:** Through investments in major infrastructural projects—such as the China–Pakistan Economic Corridor and the ports of Sri Lanka and Bangladesh—China has strengthened South Asia's economic and transportation linkages. From the perspective of neoliberal institutionalism, this could generate a form of "positive interdependence" (9). However, from the perspective of dependency theory, these relationships have manifested more as economic domination and debt entrapment, resulting in increased dependency among weaker states (5).
2. **Security level:** China's growing security and military presence in South Asia—through defense cooperation with Pakistan, Sri Lanka, and Nepal, as well as its activities in the Indian Ocean—has, rather than enhancing collective security, intensified military competition with India and increased political mistrust (7). From a realist standpoint, this reflects the persistence of a "security dilemma" among regional powers, a condition that makes convergence unattainable.
3. **Political–diplomatic level:** China's Asia-oriented policy has produced two contrasting discourses. On the one hand, Beijing—under the banner of peaceful development—has expanded its soft power; on the other hand, India and its allies interpret this policy as an attempt to restructure the regional order under Chinese leadership (18).

Thus, consistent with the study's hypothesis, China's Asia-oriented policy has simultaneously generated economic convergence and political–security divergence in South Asia. In practice, Beijing pursues two contradictory goals: strengthening economic ties to enhance influence while maintaining a superior geopolitical position relative to India and Western powers.

Within the theoretical framework of this research, the findings may be interpreted as follows:

• **From a neoliberal institutionalist perspective**, China—through institutions such as the Asian Infrastructure Investment Bank (AIIB) and the expansion of BRI—has provided mechanisms for economic cooperation and policy coordination (19). However, power imbalances and China's asymmetric influence have caused these institutions to lose their integrative function and instead operate as instruments of Chinese foreign policy.

• **Within the neofunctionalist framework**, China's joint economic projects could have produced spillover effects into other domains; however, due to geopolitical rivalry with India and political mistrust, this process has reversed, resulting in negative spill-back rather than positive spillover (12).

• **From the dependency theory perspective**, China's economic relations with South Asian states are characterized more by "core–periphery" dynamics than by balanced partnership. Chinese investments have not

necessarily led to technology transfer or sustainable development but have often resulted in debt accumulation and long-term dependency (13).

The analytical results show that the consequences of China's Asia-oriented policy in South Asia can be summarized in four dimensions:

1. **Economic:** Increased financial and infrastructural dependency on China, formation of unequal patterns of cooperation, and reorientation of regional trade flows toward the East.
2. **Political:** Weakening of independent multilateral institutions—particularly SAARC—and the rise of China-linked frameworks and mechanisms.
3. **Security:** Intensified military rivalry between China and India, expanded Chinese presence in the Indian Ocean, and the formation of a negative strategic balance against India.
4. **Cultural:** Expansion of China's soft-power influence through educational and cultural institutions, accompanied by negative reactions from nationalist and religious communities in South Asia.

As a result, regional convergence in South Asia has shifted from an endogenous process to an exogenous, China-driven project. Although this form of convergence may promote short-term economic development, it increases long-term inequality and mistrust among member states.

Based on the overall research findings, China's Asia-oriented policy can be characterized as dual and multilayered:

• At the **economic level**, it provides opportunities for growth, infrastructure development, and enhanced regional connectivity.

• At the **political and security levels**, it generates greater divergence, competition, and dependency.

• At the **strategic level**, China seeks, through economic and soft-power diplomacy, to shape a new regional order in which Beijing acts as the central economic and geopolitical axis.

Therefore, it can be concluded that China's Asia-oriented policy has produced a form of dependent and unstable convergence in South Asia rather than sustainable regional integration. Achieving genuine convergence in this region requires a shift in the approaches of major regional powers and the institutionalization of equitable multilateral cooperation.

Recommendations

a) For Regional Policymakers

1. **The necessity of balancing between China and India:** Smaller South Asian states should avoid one-sided dependence on China by adopting a balanced foreign policy and expanding diversified cooperation with India, Japan, and the European Union.
2. **Strengthening indigenous regional institutions:** Revitalizing organizations such as SAARC through reforming decision-making structures and reducing the political influence of major powers is essential.
3. **Ensuring transparency in economic agreements with China:** Financial mechanisms of BRI projects must be implemented with greater transparency and public oversight to prevent them from turning into debt traps.
4. **Developing transnational cooperation in energy and environmental sectors:** Collaboration in renewable energy and water-resource management can help build trust and foster genuine convergence.

b) For China

1. China should avoid asymmetrical policies and heavy loans and design economic projects in line with the principle of “genuine win–win,” ensuring tangible benefits for host countries.
2. Beijing can improve its image by formally joining regional institutions such as SAARC and actively participating in multilateral initiatives, shifting its perception from a “hegemonic power” to a “developmental partner.”

c) For International and Academic Institutions

1. The need for comparative research between the East Asian integration model (ASEAN) and South Asia (SAARC) to identify institutional weaknesses.
2. Examining the role of China’s soft power in reshaping public perceptions in South Asia and assessing the long-term cultural impacts of the Belt and Road Initiative.

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Authors’ Contributions

All authors equally contributed to this study.

Declaration of Interest

The authors of this article declared no conflict of interest.

Ethical Considerations

All ethical principles were adheried in conducting and writing this article.

Transparency of Data

In accordance with the principles of transparency and open research, we declare that all data and materials used in this study are available upon request.

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