



In India's China policy, a mix of three approaches

Context:

- Many countries are reconsidering their relationship with China — the United States (US) and the European Union, Australia and Canada, Indonesia and Japan, Brazil and Russia. Their policies have generally involved a combination of three approaches, often pursued simultaneously.
- The first is internal balancing, strengthening themselves and developing capabilities in response to China's growing power.
- The second is engagement, working with China to reach understandings, although this requires some give and take by both sides.
- The third is external balancing, cooperating with others to gain more leverage and security vis-à-vis Beijing.
- Every country's debate about its China policy has essentially involved how much emphasis it can and should place on each approach.



India's scepticism about China:

- It dates back to the late 1950s and especially the 1962 war.
- Despite a return to full diplomatic ties in the late 1970s, normalisation began with Rajiv Gandhi's 1988 visit to China and the agreements of 1993.
- Commercial normalisation was only evident after about 2003. But the scepticism never truly disappeared.

The India-China relationship can be considered to have four main components:

- 1) One, boundary dispute.
- 2) Two, regional security competition in India's neighbourhood.
 - The Belt and Road Initiative (BRI) today leverages China's resources,
 - Nepal settling its border with China in the 1960s,
 - China's sharing of nuclear technology with Pakistan in the 1970s,
 - Bangladesh importing Chinese military hardware in the 1980s, and
 - Chinese backing for the military junta in Myanmar in the 1990s.

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- 3) Three, economic relations. It grew after 2003 but Indian enthusiasm waned as Chinese market access proved limited and the trade deficit widened.
- 4) The fourth aspect was global governance cooperation.
 - China and India found common cause at BRICS,
 - Asian Infrastructure Investment Bank (AIIB), and the Shanghai Cooperation Organisation.
 - Beijing's emphasis on international coalition-building was eventually surpassed by its own superpower ambitions.

India consequently began balancing even as it normalised ties with Beijing.

- China was a major driver of the India-US civil nuclear agreement, which enabled defence and technological relationships with the US and its allies (including Europe, Japan and Australia).
- China's overt opposition to India's waiver at the Nuclear Suppliers Group in 2008 indicated its unease with that development.

What approaches did India subsequently adopt?

- First, efforts at internal balancing required a robust Indian economy, appropriate budgetary allocations for national security, and political will to deploy these tools.
- However, the Indian economy did not perform as dynamically as many had hoped after 2011.
- Nonetheless, India activated once-dormant airfields, raised army mountain divisions, reallocated air force assets eastwards, and began to improve border infrastructure.
- Second, Indian aid and concessional loans to the neighbours (especially Bangladesh, Sri Lanka, Nepal and the Maldives) increased and naval deployments in the Indian and western Pacific Oceans picked up by late 2017, although capital budgetary allocations did not keep pace.
- India's willingness to intervene to support Bhutan against Chinese road-building in Doklam was an important statement of intent.
- While these developments have been positive, it is debatable whether they have been sufficient given the widening resource gap with China.
- The latest period of engagement, which began in 2017, revealed that neither China nor India were able or willing to make major compromises.
- India continued to reject both the BRI and the Regional Comprehensive Economic Partnership (RCEP).
- The boundary question remained unanswered. Even on economic relations, China made only minor concessions on agricultural and pharmaceutical imports.

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- Even in the absence of real changes, the rhetoric of engagement made sense in the aftermath of the Doklam crisis only because it bought both countries time.
- Finally, external balancing involved a series of arrangements with partners that shared India's concerns about China, with the intention of improving interoperability, facilitating intelligence and assessments, and boosting each other's economic and defence capabilities.
- In the past few years, India has made progress in facilitating logistics support, increasing maritime awareness, upgrading military exercises, and regularising strategic dialogues with the US, Japan, Australia, Russia, France, South Korea, Southeast Asia, and others.
- June 2020's India-Australia "virtual summit" is the latest step in a larger progression.

Conclusion:

- India is not alone in having a domestic debate about managing China's rise. A combination of approaches will remain in the policy mix of every country.
- But if one believes that India's internal balancing has been inadequate and engagement requires some genuine compromises by Beijing, New Delhi must logically accelerate its efforts at external balancing to deal with a more powerful China.