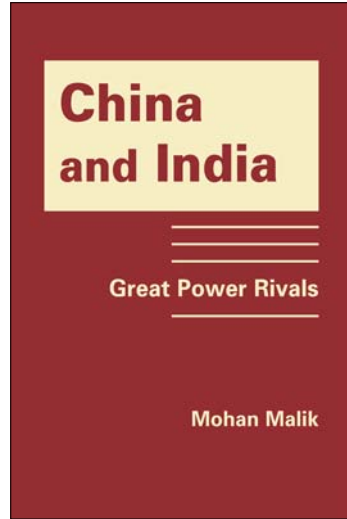


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China and India: Great Power Rivals

Mohan Malik

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1

Introduction

This book has been long in coming. The state of bilateral relationship between China and India—two of the world’s oldest civilization-states—has long intrigued me. I began writing on the China-India relationship soon after I landed in Beijing in 1983 to learn the Chinese language—that is, long before the comparative study of China and India became a growth industry in the West. It is indeed gratifying to see the China-India relationship gradually moving from the periphery toward the center stage of international politics over the last decade.

As newly independent states in the mid-twentieth century, China and India faced similar challenges of poverty, economic development, and national integration, but went on to chart completely different paths of socio-economic and political development over the next six decades. In particular, economic reforms in China (since 1979) and in India (since 1991), coupled with the globalization of the world economy, have unleashed forces that are reshaping the world’s geostrategic, economic, and environmental landscape. Militarily and diplomatically, China and India will be powerful and influential but poor in terms of per capita income because of their large populations. Both have massive manpower resources: a scientific, technological, and industrial base. They also have two of the world’s fastest-growing militaries. Both continue to grow while the economies of the West and Japan shrink. Both want to envelop neighbors with their economies. Both are competing for resources, foreign investment, trade, markets, and increasingly, overseas bases. Both are intent on acquiring comprehensive national strength.

There is no dearth of academic and policy works on China and India published over the last few years. Most of these works deal with politico-economic development models and go on to extrapolate implications for the world economy, sustainable growth, and environment. However, wishful thinking—not reality—characterizes

much of the writing on the bilateral relationship between China and India.¹ There is reason to be skeptical of the highly optimistic pairing of China and India, as both face daunting economic, socio-political, demographic, and security challenges which could unravel them. Both confront a strategic future more uncertain, complicated, and potentially conflicted than is generally recognized.

China and India's growth is unfolding in the middle of a perfect storm: resource scarcity, global economic rebalancing, geopolitical shifts, environmental degradation, and transnational security threats that will have unforeseen consequences. China and India are in the early stages of a jarring economic transition that is creating new winners and losers within and without. China might find it easier to take off than take over. There is nothing inevitable about the rise of China or India at the cost of the West. Economic forecasts do not factor in unforeseen developments such as political disasters and game-changing technological advances that often upset calculations about international pecking order. It is possible that the West, and particularly the United States, may yet witness an unexpected surge. Besides, China and India have often demonstrated an uncanny knack for being their own worst enemies. The risks to China's rise are internal. But risks to India's economic growth are both internal and external. Unlike China, all of India's neighbors are weak, failed, or pariah states, at war within and without. Sustaining growth in an "arc of crisis" from Iran to Burma won't be easy.

Should China and India continue on their upward trajectory, their rise will change the world forever: the world economy, demography, geopolitics, resources, outer space, and environment. While the two countries are keen to learn from each other's economic experience, optimistic projections of bringing them together to form a "Chindia" of billions of entrepreneurs to power the global economy are misplaced. They remain two fierce competitors, determined to outdo each other, rather than two collaborators with common agendas. Despite burgeoning economic links, China and India harbor strong hostility and suspicions about one another.

This study seeks to temper the hyperbole that characterizes a lot of writing about the *simultaneous accommodation* of China and India in and by the international system. Most recent writings take it as a given that China has accommodated (or, that Beijing will accommodate) India's rise to create a multipolar world. The reality is far more complicated. Like other great powers, China seeks to recast its region, if not the world, in its own image. Having transformed the economies of the Asia-Pacific region, China would naturally want to transform the

politics and security of the Asia-Pacific region. It remains to be seen how well Asia accommodates a rising China and how a rising China accommodates the rest of Asia that includes India, Japan, and Southeast Asia. As China grows more powerful, it is becoming more assertive in its relations with other Asian countries. China's primary rival on continental Asia remains India, another rising power with aspirations for an increased role and status in the international system. However, the ambition and power of the Chinese far outstrip that of India. China is also far ahead of India in all socio-economic indices. China's economy is now three times larger than India's, with a disproportionately larger footprint in global trade, capital flows, energy consumption, and carbon emissions. Chinese and Indian economies are more competitive than complementary. There is little or no mutual economic interdependence. In fact, India's is the only large economy that is not in debt to China. Nor is India's growth contingent upon Chinese economic growth. Neither growing trade and cultural ties nor participation in multilateral institutions have moderated their competition or resulted in the accommodation of deep-seated differences which are a function of their aspirations for power and influence at the regional and global levels.

Like China, India seeks greater international status, power, and influence commensurate with its growing economic power. However, like any other established great power, China wants to ensure that its position remains strong vis-à-vis challenger India. China's quest for global power and influence pits it against India's drive for strategic autonomy and regional influence. Great powers frown upon the rise of peer competitors. Determined to maintain its edge over its southern rival, Beijing resists any attempt by New Delhi to achieve strategic parity through a combination of military, economic, and diplomatic means. Already, New Delhi's initiatives designed to strengthen India's position in Asia have provoked protests, counter-measures, and dire warnings from Beijing. China's foreign policy behavior is thus no different from other great powers. For India's rise challenges China's power and status in the Asia-Pacific in much the same way as China's rise challenges US global dominance. If India is able to sustain its impressive economic growth over the next couple of decades, it will find itself engaged in an intense economic and security competition with China with considerable potential for conflict. Ancient rivalries and animosities could spoil their happy march toward prosperity.

The unequal strategic equation between China and India remains a major source of tension. Chinese Premier Wen Jiabao remarked in April 2003 that "in the last 2,200 years, China and India spent 99.9 percent of the time enjoying friendly relations. Only 0.1 percent of the time

relations were not good.” Left unsaid was the fact that these two “civilization-cum-empire states” were distant neighbors for much of their history. Their relations turned sour (0.1 percent of the time, to use Premier Wen’s historical arithmetic) soon after the transformation of the traditional Indo-Tibetan frontier into what is now the 4,057 kilometer-long Sino-Indian disputed border with disputed histories. This very short period’s shadow looms unusually large because as relatively new neighbors with little or no historical experience in dealing with each other politically, India and China have been unable to find equilibrium in their relations. Although both have managed to avoid conflict since 1962, adopting a pragmatic approach to managing their differences and seeking ways to manage their competition, several obstacles exist in forming a normalized, cooperative relationship which could make or mar either one’s future as Asia’s rising power.

Scarred by an old war and unresolved territorial dispute and jaded by rival alliance relationships, a whole range of new issues now bedevil bilateral relations as China and India engage in a worldwide scramble for resources, maneuver for advantage in their overlapping spheres of influence, plan for control of major sea lanes, and compete for influence in regional and global institutions. Each expresses disquiet over the other’s rising defense spending. Concurrent with their rising economic might, both have set about modernizing their militaries to lend extra muscle to their growing strategic ambitions, thereby reigniting fears of a nuclear arms race. China and India are currently engaged in a geopolitical chess game across Asia and Africa. Their expanding geopolitical horizons and overlapping spheres of influence across oceans are creating frictions. Resource (oil, gas, and water) scarcity is adding new layers of strains and tensions. Geographic proximity has long been one of the main factors in conflicts between rising great powers sharing the same neighborhood. The fact of the matter is that China and India are locked in a classic security dilemma: one country sees its own actions as self-defensive, but the same actions appear aggressive to the other. India feels the need to take counter-balancing measures and launch certain initiatives to counter China’s growing power—but these are perceived as challenging and threatening in China. Both want to focus on economic development and avoid overt rivalry or conflict. Still, the volatile agents of nationalism and history, ambition, strength, and size produce a mysterious chemistry. China’s rapid economic growth, military power, and hyper-nationalism at home are shaping Chinese public expectations and limiting possibilities for compromise with other powers. Unless managed skilfully, nationalist pride in India could bring about a clash with Chinese nationalism. For Asia has never known both

China and India growing strong simultaneously in such close proximity with disputed frontiers and overlapping spheres of influence.

Hence, a thorough understanding of the nuts and bolts of the bilateral relationship—especially as perceived by the policymakers and strategic analysts of these two Asian giants—is vitally important. Despite some cooperation on economic, environmental, and transnational security issues, China and India remain locked in an intense geopolitical rivalry. As Shen Dingli, a well-known Chinese strategic thinker and deputy head of the South Asia Research Institute in Shanghai, points out: “The structural problem is leadership. The question is who leads in Asia?”² The stage is thus set for more competition than cooperation between Han and Hindu in the twenty-first century. Notwithstanding the leadership’s pragmatism and priority on domestic stability and good relations abroad, both China and India may well find themselves drawn into future regional “hot spots” or possibly intervening in neighboring countries because of some instability or action that is perceived as threatening over the long term. This is, of course, a geopolitical perspective grounded in Power Transitions Theory. In a sense, this volume is along the lines of the argument presented in John Garver’s study *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century* (University of Washington Press, 2001). Those who are interested in the great Asian drama unfolding in the early twenty-first century will find much to ponder in this analysis of relations between the world’s two most populous civilization-states in the world.

This book is divided into three parts. Part I provides a critical analysis of the similarities and differences in their strategic cultures and examines Chinese and Indian perceptions and expectations of each other. Part II focuses on the flashpoints and fault lines that exist in the China-India ties. The extension of the Sino-Indian rivalry for influence into regional and global multilateral forums is also discussed here. Part III focuses on energy and maritime security issues and concludes with a discussion of evolving tilts, alignments, and alternative strategic futures.

Notes

¹ A series of reports and books have come out over the past few years pairing their economic rise as a given, along with the spurious notion of “Chindia” coined by Jairam Ramesh in his *Making Sense of Chindia* (India Research Press, 2005). Other similar works include P. Engardio’s *Chindia: How China and India Are Revolutionizing Global Business* (McGraw Hill,

2007); T. Khanna's *Billions of Entrepreneurs* (Harvard Business School Press, 2008); D. Smith's *The Dragon and the Elephant* (Profile Books, 2007); R. Meredith, *The Elephant and the Dragon* (W. W. Norton, 2008); R. Dulci Rahman and J. Miguel Andreu's *China and India: Towards Global Economic Supremacy?* (Academic Foundation, 2006).

² Quoted in Peter Ford, "Rivals China, India in escalating war of words," *Christian Science Monitor*, October 20, 2009 <<http://www.csmonitor.com/2009/1020/p06s04-woap.html>>.