



Alternative Strategies towards China Charting India's Course for the Next Decade

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Sino-Indian bilateral ties at the start of the 21st century saw the two sides putting behind them the contempments that followed India's 1998 nuclear tests and rapid growth of their economic interactions. It soon began to be claimed that economic imperatives would be the new driver in their relationship, one that many held also would be the defining relationship of the new century. However, neither the sentiment nor the expression that it engendered, namely, 'Chindia,' retains much salience now at the beginning of a new decade

There are a number of reasons for this state of affairs. For one, the boundary dispute and the attendant Tibet factor have had a certain immutable quality that continues to infect all aspects of the bilateral relationship. For another, the distrust and suspicion so engendered between India and China have been aggravated by their simultaneous rise and resultant geopolitical competition for friends and influence. This has even affected their economic relationship, casting fresh doubts on the validity of the assertion that economic interdependence makes for better neighbours.

The challenge remains for India, to fashion a coherent and proactive China policy taking into account the current trajectory of bilateral relations and flow of global geopolitics. These appear to indicate that for at least the next decade, Sino-Indian relations are unlikely to improve spectacularly. Most large issues between them, including the boundary dispute, are likely to remain unresolved at least until 2017, when the 19th Congress of the Chinese Communist Party is expected to reaffirm the sixth generation of China's leaders in power and by which time India too, is likely to have a younger generation of leaders at

the helm of affairs with less direct memory of the 1962 conflict.

What then should India's China policy for the next decade look like? How can India maximize its strengths in diplomatic and other arenas vis-à-vis China in a manner that can push forward the positive aspects of the bilateral relationship while at the same time reduce chances for actual physical conflict of even a limited nature?

FOREIGN POLICY:

99 PERCENT DOMESTIC, ONE PERCENT EXTERNAL

It does not hurt to be humble in order to achieve bigger goals. And one sign of humility is to learn from those doing better than you. China is doing better than India in several aspects but Indians will do well not to focus on superficial comparisons such as the difference in the quality of Chinese and Indian roads or make misinformed judgments about the Chinese having a 'grand strategy' and India none at all. Rather, one key lesson that Indians – elite and ordinary – tend to forget about China – is that the Chinese are very conscious of the fact that their country's strengths abroad are largely dependent on domestic factors. These include political stability certainly but more importantly also investments made in social infrastructure, including education and health.

The Chinese growth story, it is often forgotten in India, is based on the back of a legacy of egalitarianism and heavy spending on social goods. And the rise in political and social instability in China in recent years that now also threaten to affect its economic growth have to do not just with corruption and a lack of accountability in the political system but also its slipping social indicators. It is this reality that has kept

Chinese leaders both humble and cautious in their global outreach for much of the last decade even as the rest of the world was announcing and worrying about China's coming dominance.

In India, the tendency however, at especially the elite level, has been to extrapolate from foreign policy achievements to conclude that all is well at home as well. India's continuing caste and class inequalities, persistent religious divides and serious backwardness in the education and health sectors suggest that its vaunted youth bulge in the coming decades will not be substantially capable of either contributing to the country's world power status or benefitting from it. So the lesson from the Chinese is this – remember problems at home before patting yourself on the back on the international stage.

Another lesson that India can learn from the China is – more power to the provinces (states). Admittedly, this is not as clear-cut a reality in China as it sounds but there is no doubt that at least in the realm of economic policymaking, Chinese provinces have far greater leeway than do their Indian counterparts. This makes a mockery of the Indian Union's claims of being democratic and federal. If anything the easy substitution of the expression 'centre' for the legally accurate 'Union' in Indian political discourse exemplifies the limited federal nature of the Indian Republic. In foreign policy terms, genuine federalism in India would translate into greater freedom for India's border provinces to engage in business and social and cultural contact with their neighbouring countries. And New Delhi might find that this helps achieve almost as many foreign policy goals if not more, as doing business through New Delhi alone does.

II

THE US: INDIA'S BEST FRIEND

It is true, that a closer Indo-US relationship will worry the Chinese but that is no reason to be cautious about getting closer to Washington. Caution must be exercised only insofar as reciprocity and mutual

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benefit are ensured in the Indo-US relationship not because China will feel worried or seek to make India pay in other respects. India must prepare itself for a certain amount of Chinese needling and for certain costs in lost opportunities with China. However, this is at the most a temporary thing. The Chinese respect strength and decisiveness as well as the legitimate right of each country to act in its national interests. In this regard, they are among the first to acknowledge that the Indo-US partnership is a 'natural' one given the two countries' shared political values.

Indeed, it is hard to believe that the Chinese do not believe there is a certain inevitability to the growing closeness in Indo-US relations and that this is not factored into their long-term calculations. Once Beijing figures out it cannot cow New Delhi down into going slow on the relationship with Washington, the Chinese will actually switch to trying to engage India at an even higher and more serious level. Therefore, the more India hesitates on the American front, the greater actually are the opportunities lost with the Chinese.

One major worry for India in this respect will be closer China-Pakistan ties as a consequence. However, Indian policymakers must look at the big picture and realize that the Sino-Pak relationship is one that is on the downswing as far as Chinese political commitment to Islamabad is concerned. Given that the powers that be in Pakistan cannot always hope to please both Washington and Beijing at the same time, the overwhelming American presence in the Af-Pak theatre, in effect constrains China's own political leverage with Islamabad. Moreover, the Chinese themselves have often declared their concerns about the instability within Pakistan and whether or not the Americans withdraw from Afghanistan, the Af-Pak problem will increasingly become one both China and India will need to put their shoulders to the wheel together for.

The important thing in the Indo-US relationship is to not go overboard with the anti-China sentiments that also permeate their relationship. To seek to balance Chinese power is a legitimate endeavour for a weaker India, but New Delhi must also not forget that the Sino-US relationship has its own dynamic and to overreach would place unbearable strains on both Indo-US and Sino-Indian relations.

III MIGHT IS GOOD

The increased focus of Chinese military modernization and of their military assets against India in the future could also be read as a consequence of improved Indo-US ties, but this is perhaps inevitable in the longer term given India's own rising material power and military modernization. Indo-American cooperation in defence and strategic affairs will if anything force the Chinese to tread more cautiously still and offers India bargaining chips which used carefully will allow for a more equitable balance of power in Asia.

In this context, India should not hesitate in building up forces as close to the Line of Actual Control (LAC) as is necessary to prevent or to react to a conflict situation. True, treaty obligations must be respected but only as long as it is not a one-way street. Indian resolve in this regard will only engender still greater stability in the border regions not less. This resolve must also include quickening the pace of Indian infrastructure development in its border areas. And while shrill noises can be expected from the other side as in the case of Indo-US relations, New Delhi should not for a moment believe that the Chinese are really surprised.

To suggest an arms race is in the making is to overstate the case. The fact that both sides are nuclear-armed does not invalidate the idea that military modernization and infrastructure development in the border areas actually engenders greater stability. Since each country professes a nuclear doctrine of 'credible minimum deterrence' – that factors in such goals as national economic growth and development and claims to being a responsible global power – neither is India likely to get carried away by a desire for absolute parity with China nor China by a wish to maintain asymmetry with India.

IV THE PACIFIC, AHOY!

In the coming decade, the Indian government must, as this author has argued elsewhere, convert its Look East Policy into a 'Think East Policy.' India's economy and business interests will respond to market incentives with or without government prodding but New Delhi will, if it seeks to consolidate its rising political profile in Asia, need to be proactive in its diplomatic courtship of countries in the region and

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support this process also by an expanded Indian military capacity. Given the facts of geography, this military capacity will have to be primarily naval. The Indian Navy must in addition to strengthening its role in the Indian Ocean expand its presence in the Western Pacific. This should not necessarily cause friction with the Chinese just as their entry into the Indian Ocean ought not to be considered by New Delhi as somehow indicative of an Indian weakening in the Indian Ocean region.

Further, India has not managed to get anywhere near the same level of intensity in its exchanges with Southeast Asian maritime powers as China has with Pakistan. There are two ideal candidates for this purpose – Vietnam and Indonesia. Are these relationships being encouraged keeping China in mind? Certainly, but only up to a point. While Vietnam remains a one-party communist state in the Chinese mould, it is its Chinese-style economic reforms and growth that make it an exciting partner for India, in addition to its strategic location. Indonesia too enjoys a strategic location and a growing economy that India can do well to exploit but as a populous, multi-ethnic country, it is Indonesia's slow march towards democratic stability that ought to bring New Delhi closer to Jakarta. The coming decade should be about India developing its political, economic and military relationship with these two nations to the fullest extent in addition to augmenting its ties with Japan.

If China claims itself to be a responsible power and professes to be no security threat to its neighbours, then it must believe similar Indian claims. There is also nothing that stops China from simultaneously having a strategic partnership of similar or greater depth and intensity with any of these countries. Meanwhile, for India, the Sino-Indian partnership will and should always be the more important than any of its relationships in Asia equal in status to that of the Indo

-US relationship.

V REINVENT THE SILK ROUTE

There are several reasons why the great hope in trade as a driver powerful enough to bring China and India closer together despite political speed-breakers has been belied. Among these are the skewed trade basket and the several non-tariff trade barriers between them. However, another important reason is that for two large countries with multiple and differentiated provincial economies there is very little direct economic interaction between their provinces. This is a result of the mistrust and suspicions between the larger national entities and the effect is all the greater where their respective border provinces are concerned, that are also among the poorest and underdeveloped in both countries.

Given the twin requirements of resolving their boundary dispute – or at least keeping their border areas peaceful – and of developing their border regions, China and India can do nothing less than to reinvent the Silk Route, by reopening old routes and opening fresh points of contact along their disputed boundary. This trade must be international trade across the LAC not simply the continuation of traditional trade aimed at a limited market and with limited potential for growth. Such trade need not necessarily be construed as prejudicial to either country's stated position on the dispute but could well be a confidence-building measure and move forward, the process of resolution.

Indeed, China and India have had for too long hewed closely to Western notions of sovereignty and to hard lines on maps as markers of difference and separation. This when for much of their history, the two economies and the various empires that held sway over them did not view their power or influence as being necessarily limited by fixed lines or even natural barriers. In fact, one way to reduce tensions and gain a positive outcome from the competitive and heavily military-oriented game of infrastructure construction now taking place on either side of the LAC would be to open the border regions to greater trade and tourist exchanges. The local economies would thus gain substantial economic returns in the form of either increased local trade capacity or by serving as transit points. In the process, these border economies would return to being closely integrated with each other as they were historically and now, also with their respective national economies.

VI INDIA'S CONSTITUTION IS THE GRAND STRATEGY

This decade will be the first in which both India and China are unequivocally recognized as global powers and will see both of them called to play more proactive roles on the world stage whether they are ready or not. For much of this period, however, China by virtue of its size and pace of economic growth will be ahead of the curve compared to India. This is not necessarily a bad thing for India but gives New Delhi the opportunity to learn from China's successes and failures while simultaneously working to set its own house in order and to build stronger domestic bases for projecting its strength and influence externally.

At the same time, the gap in capabilities and influence must not cause India and Indians to fall into the trap of copying the Chinese in all their actions. Some sections in India have begun to suggest that it is India's democracy that is the cause of the nation's slow pace of progress in many fields, including economic development. Apart from being a complete misreading of the reasons for China's successes, this argument also does not take into account the various shortcomings of the Chinese growth model nor deals with the question of its sustainability. In the meantime, such Indian thinking risks demeaning the achievements of a democratic India.

Similarly, for those Indians that like to complain about India lacking a grand strategy, the advice would be to look no further than the greatest bequest of the founding fathers of the Republic, namely, the Indian Constitution. It is the Constitution and the values it enshrines that are the ultimate manual for Indian foreign policy and which will mark out a distinct Indian path to sustainable growth, peace and prosperity at home and peace and stability abroad that can also be an example to the rest of the world.



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