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# Role of India and China in the Global South

Manshi Suhag

Edited by: Aakrith Harikumar

#### About the Author

**Manshi Suhag** is an undergraduate student at the University of Delhi and was Research Intern at the Centre for Security Studies, JSIA.

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## **History**

India and China have had an interesting series of events in their diplomatic relationships. Two rising South Asian neighbours have a significant impact on the Global South. India China has various phases of diplomatic relationships - from friends as seen via Panchsheel Agreement to the 1962 war; from diplomatic visits and treaties to border conflicts. Both countries celebrated the 72<sup>nd</sup> anniversary of the diplomatic relations established between two countries during Panchsheel stated as "Hindi Chinni Bhai Bhai". Both countries are among the few countries with a population of over 1 billion. Hometown diplomacy is started by Prime Minister Modi and the president but the Modi's government is not religiously following the previous policies of strong Sino-India chains instead the focus is more on engagement with the West and Southeast Asia. China is not comfortable with the increased dialogue between India and the US. China explains every step of India-United States relations as containment policies and hence it formulates foreign policies accordingly. The engagement of China in South Asia has increased especially with Pakistan and the Gwadar port. India and China used to share their views on a variety of issues in global affairs. China openly appreciated India's support in the United Nation Security Council.

### Sino - Indian Relations and the Global South

Both countries are diplomatically related through various regional and international forums. Everything seems good on the table but there's evident an inner fight between the countries about being the master in the global South. It impacts the activities in the global South from treaties to trade. Somewhere between the lines, the Global South is divided into two blocks. This is beneficial when it moves toward healthy competition but correspondingly in reality it negatively impacts the region's development graph. The uplifting development that should be present in the region is not seen ostensibly.

There is a significant shift in the Indian foreign policies with the changing governments in power as India under Nehru was idealist about its policies but eventually, after the 1962 encounter, India started believing in diplomatic relations. India under Modi is firmly taking steps towards a string

of India-US relations rather than focusing on China. Both countries are involved in strategies to counter each other in multiple sectors, and this is seen from the Indian side majorly. As China takes steps according to the global situation for its counter toward the US and in that process, India became a target as our Indian ties are negatively impacting China and making it insecure.

## Impacts of US-China Rivalry on Sino-Indian Relations

South Asia is significant in the eyes of both China and the United States, although neither places it at the top of its geopolitical priority list. They believe that other regions, like East Asia, are more crucial to accomplishing their goals. However, they understand that significant attention and funding should be given to South Asia due to its strategic location, expanding population, and concerns about terrorism and nuclear war. South Asia is a crucial region for both Beijing's aspirations of changing the Eurasian political and security system and becoming the dominant force in Asia and Washington's ambition of creating a free and open Indo-Pacific. Both the U.S. and Chinese views and activities in South Asia are likely to be influenced by the incoming phase of Sino-American strategic competition, which might persist for decades. Hence, India is becoming a balancer in the process of having good relations between both sides.

US-China Collaboration in South Asia is far more challenging, even during large crises, as a result of bilateral competition and confrontation. Defeating violent extremism, guaranteeing strategic stability and crisis management between India and Pakistan, and advancing regional economic growth are all goals shared by both nations. However, the prospects for long-term cooperation beyond rhetoric are limited by bilateral conflict and shared distrust about each other's activity in the region. It will be challenging to agree on and carry out combined efforts in the areas of crisis management, non-proliferation, and terrorism due to China siding with Pakistan, and the United States with India. The tension in US-China relations is reflected and limits the area of cooperation between India and China as China is not comfortable with this cooperation in the end it makes India a competition rather than a partner in crisis. These multilateral relations in global affairs severely impact the development plans of the Global South.

Afghanistan, China, and the United States have the same objectives of halting the growth of international terrorism and achieving a political agreement to put an end to decades of bloody fighting, while their actual strategies for doing so vary. While India was involved in the actual conflict resolution process and peace-making activities. Furthermore, until Beijing adjusts its strategy to conform with international human rights principles, Chinese atrocities against Uyghurs and other ethnic minorities in Xinjiang severely limit opportunities for fruitful counterterrorism collaboration.

The way China is dealing with India by supporting Pakistan aids the former in limiting Indian strength in Asia. China has increased its support for Pakistan's Kashmir policy. Beijing's stance has historically ranged from positive neutrality to aggressive assistance for Pakistan. Some scholars express concern that China may even aid Pakistan in future crises to put pressure on India and promote Beijing's territorial demands. Meanwhile, the US has mostly supported India's stance in the Line of Control flare-ups and New Delhi's responses to terrorist acts in India that were linked to Pakistan. Overall, Beijing has little motive to broker a comprehensive settlement of the India-Pakistan conflict. Beijing's objectives are best served by maintaining a low boil since it makes India divide its resources and attention. China's backing of Pakistan's territorial claims strengthens China's claims as well. For its part, Pakistan obtains China's assistance as well as development funding that, absent significant governance reforms, Islamabad's precarious economic status and political instability would otherwise render almost impossible.

China and India's trade is explicitly and indirectly impacted by various factors. The unrest in the relations between both countries is also noticed in the trade aspect. The most crucial factor coming from global trade is the USA- China conflicts the major impactful event in the past few years with the border issues between both countries. There are a variety of points to acknowledge in the trade conflicts, particularly for India and the Global South there are vacillating impacts of the US-China trade conflict. Pockets are created in the global trade chain in the manufacturing sector (as China is considered on the list of the largest manufacturing country) MNCs are now focusing on India and other South countries for better investments option. Whereas it is disturbing the supply chain due to the immense impact of China in years of trade in the manufacturing sector, the balance

should be maintained. The disruption can intensify the trade gaps and eventually lead to a ripple effect.

Here, another issue that can also be added to the list is India's exit from the RCEP. Due to the increase in the trade deficit and weakening economic situation, India considered it a safe option to exit rather than be outflanked by the RCEP members. The lack of trade barriers and protectionism led to domestic issues. Certainly, it gave China its way to rule the region with full-blown control over trade. India was buying time to deal with domestic issues before opening up for free trade.

#### **Impact on South Asian Countries**

The two giants of South Asia impact the area in various aspects. The rivalry between China and India will increase, and the two largest countries in Asia will struggle to work together throughout the Indo-Pacific. Beijing aims to increase its power in South Asia for its purposes and to make India focus on its immediate area rather than trying to project power into East Asia. New Delhi is concerned about being surrounded by Beijing. India's sizable domestic market and potential for economic expansion are two things China wants access to. China has relied on participation at the highest levels of leadership, direct investments, and low-cost consumer and industrial goods to promote economic cooperation. However, recent Indian actions to limit access for Chinese businesses, notably in the technology sector, demonstrate growing worries about the economic, political, and security implications of cooperation with China.

Following its economic interests, China has increased its attention on developing a blue-water fleet and power projection to the "distant seas." China now considers the Indian Ocean to be a "distant sea," but it wants to change that so that it is more of an intermediate sea. To project influence to Europe, this expansion of global influence would be comparable to the second island chain in East Asia. China's geopolitical goal may eventually include competing with or surpassing the United States and India as the region's most potent maritime force.

Given China's rejection of conventional interpretations of international maritime law and its generally forceful behaviour in the South and East China Seas, this scenario raises questions about the freedom of navigation in the Indian Ocean. Furthermore, during a struggle, the People's Liberation Army units might learn how to obstruct the entry of American and coalition forces into East Asia.

Smaller South Asian countries face competing pressures to ally with larger states and have a greater opportunity to play major powers off of each other because they have their interests and the power to pursue them. It is challenging for Washington to keep positive relations with all nations in the region at the same time due to the fluid competition for influence among and amongst South Asian states. Some nations, like Bangladesh, Nepal, and Sri Lanka, consider cooperation with China as a buffer against Indian hegemony. They won't accept American efforts as a standin for Indian interests. Although transparency and coordination have increased along with an overall improvement in U.S.-India relations, India has always been sceptical about bilateral collaboration between the United States and neighbouring countries. Threats to strengthen ties with Beijing are another way South Asian nations use the U.S.-China competition to deflect criticism from their autocratic tendencies.

Smaller South Asian nations prioritise economic growth, and while China presents an alluring option, it may not be the best one. Complex factors must be considered while weighing the benefits and dangers of projects run under the BRI's auspices. On the one hand, hurried project schedules and little supervision can give local leaders quick, observable progress they can claim credit for—and occasionally make money off of it. However, those initiatives give Beijing significant sway, occasionally endangering sovereignty and frequently increasing the burden of already high public debt.

A significant part is also played by political calculations. China's attractiveness rests in providing development funding with conditions connected to Beijing's worries, such as contracting with Chinese companies, adopting Chinese standards, and getting strategic access. Other conditions include political issues like Hong Kong and adopting Chinese standards. Other than that, Chinese development assistance comes with minimal, standards for openness, anti-corruption, respect for human rights, and environmental and social sustainability. It is also open to illiberal governments.

These agreements are meant to stand in contrast to the liberalising requirements that come along with Western development aid.

It can be a truly common good if China's infrastructure investment promotes regional integration openly and affordably. But at the same time, debt distress will be a significant issue for the entire region, especially in light of the COVID-19 pandemic's effects. South Asian countries will be looking to China, the United States, and multilateral financial organisations for solutions and relief. An excellent place to start is the debt suspension policies that G20 nations, including China, just committed to. To ensure that South Asian economies can escape the worst possible effects, further measures will probably be essential, and monitoring implementation details will be crucial.

To prevent safe havens for violent extremist groups hostile to China, China seeks stability in Afghanistan but refrains from directly interfering to achieve that goal. Similar to Moscow, Beijing backs the current peace process but prioritises cooperation with other key nations such as Pakistan, the United States, and Russia. Instead of assuming a significant leadership role in attaining, maintaining, and enforcing peace, Chinese efforts have been limited to supporting, mediating, and facilitating. Beijing is in support of a political settlement and the peace process. China is also eager to contribute significantly to the peace dividend in Afghanistan, but its willingness is contingent on changes in the security situation.

The main game that China plays against India every time is providing aid to the South Asian neighbourhood. This builds trust in relations between China and the rest of South Asia. China has also developed a novel strategy for containing India. This new tool, the massive Belt and Road Initiative (BRI) of Chinese President Xi Jinping, is a financial scheme that enables China to seize territory in the nations that border India, thereby limiting India. This is what analysts refer to as the "debt trap."

Eight nations, including the Maldives, which is close to India, and Djibouti, which is home to the only Chinese military base outside of China, are particularly at risk of debt distress, according to a report by the think tank Centre for Global Development, based on a pipeline of project lending connected to BRI. Sri Lanka is a perfect illustration. It has a \$1.1 billion agreement with China for

the management and construction of the Hambantota deep-sea port. The port and around 15,000 acres will be leased to a state-run Chinese business for 99 years to develop an industrial zone. China has recently provided Sri Lanka with sizable financing for infrastructural development. Sri Lanka is currently unable to repay the loans.

To pay back its loans, it is leasing land to China. It will use a portion of the cash it receives from leasing the Hambantota port, to pay off Chinese loans. This is how China infiltrates a nation through expensive loans. Maldives, Nepal and Pakistan are also on a similar path. India focused on the aid of Nepal and Bhutan to counter the Chinese policies. In comparison to the previous fiscal year, it has boosted its assistance to Bhutan. India is not significantly concerned, even though voices in Bhutan that favour tighter connections and increased collaboration with China have gained strength. Bhutan and India have tight connections, and New Delhi has been supporting Bhutan militarily.

Bhutan staunchly supported India in 2017 when its forces and China were involved in a 73-day stalemate in Doklam starting on 16 June that year, after the Indian side prevented the Chinese army from constructing a road in the disputed trijunction. Troops disengaged on August 28.

## The Issue of Border Disputes

Border disputes are also impacting diplomatic relations between countries. India and China have a variety of advantages over the West. Cooperation between them can be beneficial only if they see each other are development partners instead of competitors. The Indo-Pacific has become a hotspot of diplomacy in international affairs. India is also evidence showing its presence because of the Indian Ocean and thus China is also practising its expansionist policies as well as explaining its behaviour and increased presence in the Indian Ocean as a counter to security issues created by India.

There is unacknowledged unrest in India-China relations. This lack of acknowledgement leads to random misinterpretations of actions taken by the countries, as India is increasing its presence in the Indian Ocean to impact its stand in global affairs. However, it is negatively received by the

Chinese as they see this as another step taken by the US to contain China's growth. Similarly, after the 2008 financial crisis, China's economy opened up to the world. India believed that the Chinese government undermined Indian interests.

The Sino-Indian border region will always be a significant flash point. The 2020 border crisis, which resulted in the deaths of twenty Indians and an undetermined number of Chinese troops in Ladakh, revealed New Delhi's difficulty in striking a balance between cooperation and competition. In the short or medium term, it is unlikely that China and India will make any headway toward a definitive settlement of their boundary conflicts. Effective procedures for crisis management and border patrol activities can lessen tensions but cannot completely prevent outbursts. Delineating and Demarcating the border would encounter significant difficulties given China's tendency for "grey zone" provocations and the importance of territorial disputes in both countries politics.

### The Way Forward

Cooperation between India and China will immensely help the Global South develop and flourish, as they can provide various platforms of support to other developing countries in the Global South. The situation of Sri Lanka is an example of how it became the victim of China's debt trap diplomacy.

Future relations rely on the foreign policies of both countries. It is difficult to assess whether either side will be ready to compromise on security issues. While addressing quadrilateral dynamics with China, India, and Pakistan—including increasing crisis management challenges—it is important to consider alignments. Although China and the United States will both continue to have working relationships with India and Pakistan, Washington and New Delhi have viewpoints that do not align with those of Beijing and Islamabad.

Relationships between the United States and Pakistan need to be rebalanced such that they place more emphasis on growing economic ties and interpersonal encounters than on security assistance and operational access difficulties. The United States should not forgo a vital relationship with Pakistan and relinquish all influence to China even though it prioritises its relationship with India. Given the nuclear and terrorist threats coming from the region, a positive working relationship between Washington and Islamabad is in the best interests of both nations. However, the alliance must move beyond its Cold War and post-9/11 origins, when the two states made unsuccessful attempts at strategic convergence.

Looking for ways to counteract any potentially negative actions China might take is more hopeful in the event of crises between India and Pakistan than looking for active cooperation with Beijing. Demanding a halt to Chinese arms deliveries to Pakistan in times of crisis, aligning U.S. policy toward India with China's diplomatic support for Pakistan, and organising allies to impose sanctions on Pakistan for funding and supporting terrorism against India are a few examples. However, policymakers should anticipate that, under the best-case scenario, deconfliction or tacit coordination between the United States and China is more likely than collaboration.

Research, policy analysis, and track-2 discussions on nuclear and strategic stability between India-Pakistan and India-China, the two antagonistic nuclear dyads in South Asia, need to be promoted. The objective should be to shift China's perspective so that Beijing recognises that either party's actions could start an escalatory cycle and does not undervalue the possibility of an India-Pakistan nuclear exchange.

Here, the concept of conflict resolution by MP Follet can be considered to play an important role. The best solution to the conflict is integration and new ideas from both sides. Instead of compromising, both sides should respect each other needs and acknowledge the presence of a solution to the conflict. The integration will help them to move from the past and build a strong relationship.

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