

## “Chindia” or Rivalry? Rising China, Rising India, and Contending Perspectives on India-China Relations

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*Whether and how India and China manage their futures as rising powers will critically shape international relations in the twenty-first century. These two countries demonstrate sharp contrasts in terms of their political systems, economic models, and social structures, despite their common aspirations for greater stature on the world stage. They have also maintained a very complex relationship that is weighed down by history but also offers promising opportunities in an era of globalization. While the implications for the rise of China have been widely debated, scant scholarly attention has been devoted to the rise of India or to how these two Asian great powers perceive each other's ascendancy. This article examines the key factors influencing India-China relations, including territorial disputes, mutual threat perception and alignment patterns, and economic partnership and competition. It categorizes Indian elites' perspectives on the rise of China in three paradigms: geopolitical, geoeconomic, and geocivilizational. It ends with a discussion of the possible scenarios of future India-China relations. **KEYWORDS:** India, China, Chindia, rise of China, rise of India, geopolitics, geoeconomics, geocivilizations, comprehensive national power.*

ONE IMPORTANT GLOBAL DEVELOPMENT IN THE FIRST DECADE OF THE twenty-first century is the shifting of power in the world economy, symbolized by the rise of several large developing countries—grouped as Brazil, Russia, India, and China (BRIC), or Brazil, South Africa, India, and China (BASIC) (Wilson and Purushothaman 2003; Dasgupta 2009).<sup>1</sup> Especially noteworthy is the rise of China and India, the two most populous nations on earth that together make up nearly two-fifths of mankind. The sheer magnitude of their ascendance led the former Singaporean ambassador to the United Nations, Kishore

Mahbubani, to proclaim the "irresistible" shift of global power to Asia (Mahbubani 2009).

Whether an "Asian century" will finally arrive after five centuries of Western dominance of world affairs depends importantly not only on whether India and China can continue their respective rises but also on how each of these two Asian giants will deal with its own and the other nation's ascent. These two proud nations are keenly aware of the other country's rise and naturally make comparisons (more on the Indian side) with the other (Holstag 2010; Guruswamy and Singh 2010; Garver 2002). Yet despite their common aspirations to play larger global roles, India and China demonstrate sharp contrasts in terms of their political systems, economic models, and social structures. They have also maintained a very complex relationship that is overshadowed by history but also offers promising opportunities in an era of globalization.

While the implications for the rise of China have been debated in various contexts (global or systemic, regional, and bilateral), much less scholarly attention has been devoted to the rise of India and how these two Asian giants perceive each other's ascendancy. Yet how they view and behave toward each other will be important for scholarly interest and policymaking.

This article makes a contribution in this regard by examining the key factors influencing India-China relations and analyzing elite perspectives on this relationship in each nation. The article is divided into six parts. The first begins with an overview of China's assessment of its security environment and its evolving grand strategy. It sets the stage for examining Sino-Indian relations in the context of China's external grand strategy. To measure China's relative position in the world, Chinese security writers have developed the concept of "comprehensive national power" as a convenient way to frame the debates on China's security assessment and external strategy. The second part introduces this concept and elucidates the Chinese perspectives on the rise of their own country and potential peer competitors such as India. The third part examines the most important elements constituting the complex Sino-Indian relationship, including history, geography, territorial disputes, mutual threat perception and alignment patterns, and economic partnership and competition. In the fourth section, I concisely summarize Chinese security analysts' per-

spectives on a rising India in light of the changing bilateral relationship. The fifth part provides a conceptual framework for analyzing the future prospects of Sino-Indian relations by categorizing Indian elites' perspectives on the rise of China and Indo-Chinese relations into three paradigms: geopolitical, geoeconomic, and geocivilizational. I conclude with an analysis of three possible scenarios for the future of China-India relations.

## **China's Evolving External Strategy Since the End of the Cold War**

### *Deng Xiaoping's Strategic Legacy*

In the first two decades since the end of the Cold War, Chinese analysts have been continuously assessing (or reassessing) their country's external security environment and debating appropriate responses and necessary adjustments.<sup>2</sup> Crucial to these debates are such issues as:

- The structure of the international system after the Cold War (multipolarity or unipolarity).
- The question of whether the US role in global affairs is in decline.
- China's role in the international system and proper grand strategy (i.e., the distinctive combination of political, economic, and military means to ensure a state's national interests or to achieve the objectives of the regime).<sup>3</sup>
- The best ways to deal with the United States.
- Relations with other great powers (Japan, Russia, and India in particular).

While most analysts agree that China's security environment has, on the whole, markedly improved with the dissipation of Cold War confrontation, many of them nonetheless see various external threats and internal challenges that can make China vulnerable. Unlike the Cold War era when China faced military pressure from the Soviet Union and the hostile policies of the United States, China today is fairly sanguine that large-scale military conflicts involving great powers are unlikely to occur and that China is likely to be increasingly se-

cure from traditional security threats (i.e., military threats by a foreign power against China's territory or the physical security of China's population). Like other major countries, however, China is not immune to nontraditional security threats.

The disintegration of the Soviet Union and the end of the Cold War occurred during a critical juncture of China's post-Mao development. China's economic reform and opening, orchestrated by Deng Xiaoping in 1978–1979, had achieved substantial initial success but also encountered difficulties (notably, the 1989 Tiananmen crisis). China's leaders concluded that the country needed a peaceful international environment for at least another two decades—a period of "strategic importance" for the country to concentrate on the further development of its economy. Economic development was to be the overriding linchpin to increasing China's wealth, power, prestige, and international standing.

Other than China's own self-strengthening, the United States, with its overwhelming military capabilities that could be used against China but also the technologies and markets indispensable to China's economic growth, could play a decisive role in China's aspirations. So, managing relations with the United States and navigating in an international system that many Chinese analysts saw as reflecting Western (especially US) values and strengths became critically important.

Consequently, the former paramount leader Deng Xiaoping gave guidance to China's foreign and security policy apparatus that, collectively, has come to be known as the "twenty-four character" strategy: "observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never claim leadership" (*lengjing guancha, zhanwen jiaogen, chenzhuo yingfu, taoguang yanghui, shanyu shouzhuo, jue bu dangtou*). In recent years, there has been debate whether the phrase "make some contributions" (*you suo zuo wei*) should be added. This twenty-four-character maxim has fundamentally guided China's security and foreign policies since the early 1990s, as Chinese national security officials and academics have often quoted elements of this strategy. In the view of the US Department of Defense, China's increased international profile suggests Beijing is leaning toward a more assertive, confident diplomacy. Taken as a whole, Deng's strategy re-

mains instructive in that it suggests “both a short-term desire to downplay China’s capabilities and avoid confrontation, and a long-term strategy to build up China’s power to maximize options for the future” (Department of Defense 2007, 7).

*The Post-Deng Environment: “Peaceful Rise”*

While following Deng’s fundamental strategy, China’s post-Deng leaders calibrated their tactics. Third-generation leaders (centered on Jiang Zemin) successfully returned China to international respectability from pariah state in the aftermath of the 1989 Tiananmen crackdown. But certain actions they took, such as the 1994 Mischief Reef territorial dispute with Southeast Asian neighbors, the 1995–1996 Taiwan Strait crisis, and China’s poor human rights record, helped fuel a generally negative international discourse over China’s rise. Most notable was the debate over a so-called China threat (Bernstein and Munro 1997; Brown 2000; Nathan and Ross 1997; Yee and Storey 2002). Many in the West and in China believed that a new Cold War was forming between the United States and China.

China’s fourth-generation leaders (centered on Hu Jintao) worked to rectify some of the consequences of the policies of their predecessors. They promoted the concept of a “harmonious society” (*hexie shehui*) domestically to address some of the side effects of rapid and single-minded growth, such as social unrest, income inequality, and environmental degradation. Internationally they pursued a policy of “peaceful rise” (*heping jueqi*) (Zheng 2005)<sup>4</sup> or “peaceful development” (*heping fazhan*)<sup>5</sup> that relies more on reassurance (a good-neighbor policy) and incentives (lucrative trade or investment deals) than on coercion or power politics. China’s expanding economy is now regarded more as an opportunity than a threat, and its more polished foreign policy exudes confidence and poise.<sup>6</sup> While the Western world has more or less concluded that China’s rise is perhaps inevitable, as of yet there has been no consensus on the implications of China’s rise for the rest of the world (Glaser and Morris 2009, 4).

China’s “peaceful rise” policy contains several elements. First, it is based on an embrace of globalization as part of the solution to

China's growth imperatives. It relies both on China's domestic economy and the international marketplace to sustain and fuel growth. Second, to achieve the goal of rising to great-power status, China must secure a peaceful international environment that is crucial to sustaining China's economic development and augmenting China's power. Ensuring stability in China's periphery and avoiding a premature showdown with the United States are thus essential. Its "charm offensive" toward Southeast Asia exemplifies this approach (Wang 2005; Perlez 2003; Kurlantzick 2007).

Third, the new diplomacy is characterized by several important changes in style, if not substance. Instead of acting like an aggrieved victim, China now aspires to be a responsible great power and is acting increasingly like one. Whereas China used to distrust "multilateralism" for fear that multilateral institutions could be used to constrain or punish it, now Chinese leaders recognize that deeply engaging these organizations helps promote the country's trade and security interests and limits US power.<sup>7</sup> On many contentious and intractable issues, China has also adopted more pragmatic stances.<sup>8</sup> China is more aware that its rise has consequences for the Asia-Pacific region and beyond, so it is keen on easing the concerns of various countries. It has become much more actively engaged in, and seeks to shape, regional affairs, as shown by its hosting of the Six Party Talks over the North Korea nuclear issue.

The major instrument used in advancing China's objectives is its economic power, which is buoyed by its phenomenal economic growth, rapidly expanding domestic markets, and voracious appetite for raw materials needed for its economic development. In summary, China's "peaceful rise" is a comprehensive long-term strategy leveraging globalization as a catalyst to accelerate China's economic development and elevate China's power and stature. The language is peace and stability, the style is constructive diplomacy, and the substance is economics—at least for now (Wang 2005, 32–34).

### **Comprehensive National Power: China Tracks Its Rise**

Chinese academic and military writers are conscious of their country's standing in the world. To help conceptualize the structure of the in-

ternational system, track the major countries' changing fortunes, and evaluate the results of "peaceful rise," they developed a "scientific" method—Comprehensive National Power (*zonghe guoli*) (CNP)—to predict power relations among the major countries. Michael Pillsbury, a noted authority on the Chinese military, describes CNP as a "unique aspect of China's strategic assessments of the future security environment" (Pillsbury 2000, 203).

The CNP consists of various tangible and intangible factors that contribute to national power. Some Chinese writers calculate CNP by compiling the absolute numbers for each major country. Others prefer to use a relative number (e.g., a country's CNP as a percentage or fraction of the CNP of the United States). The goals of the different methods are the same: to show the pecking order of the major powers and to show the gaps between them (most importantly, the gap between the United States and the next few major powers that follow it). Chinese writers on CNP also show its evolution over time, including future projections. This way, CNP serves as an easy measure to gauge China's relative standing at a particular time and its rise and fall vis-à-vis other major countries over time. Table 1 is an example showing the relative importance of each component making up the CNP. Table 2 compares two different calculations and projections of CNP scores (Pillsbury 2000).

A detailed discussion of CNP is beyond the scope of this article.

**Table 1 Weighted Coefficients of Comprehensive National Power Components**

National Power Factor	Weighted Coefficient
Total CNP	1.00
Natural resources	0.08
Economic activities capability	0.28
Foreign economic activities capability	0.13
Scientific and technological capability	0.15
Social development level	0.10
Military capability	0.10
Government regulation and control capability	0.08
Foreign affairs capability	0.08

*Source:* Songfen Wang, ed., *Shifie zhuyao guojia zonghe guoli bijiao yanjiu* (Comparative Studies of the Comprehensive National Power of the World's Major Nations) (Changsha: Hunan chubanshe, 1996), 169.

**Table 2** CNP Scores and Ranks over Time (percentage of US CNP by year and [rank])

Country	1970		1980		1989/90		2000		2010		2020	
	CASS	Huang										
United States	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]	100 [1]
China	25 [9]	37 [6]	33 [8]	37 [6]	34 [8]	53 [5]	42 [7]	52 [7]	52 [7]	52 [7]	97 [2]	61 [5]
Germany	42 [3]	64 [3]	52 [3]	64 [3]	58 [3]	68 [3]	67 [3]	77 [3]	77 [3]	77 [3]	77 [3]	85 [3]
Japan	34 [4]	62 [4]	50[4]	62 [4]	58 [3]	66 [4]	76 [2]	69 [4]	97 [2]	97 [2]	73 [4]	119 [1]
India	15 [10]	24 [9]	19 [10]	24 [9]	18 [10]	34 [7]	22 [10]	44 [6]	26 [10]	26 [10]	57 [5]	30 [10]
France	33 [6]	47 [5]	46 [5]	47 [5]	46 [5]	47 [6]	59 [4]	48 [5]	70 [4]	70 [4]	48 [6]	82 [4]
Brazil	—	26 [8]	—	26 [8]	—	33 [9]	—	39 [7]	—	—	47 [7]	—
England	34 [4]	36 [7]	42 [6]	36 [7]	42 [6]	34 [7]	48 [6]	33 [8]	54 [6]	54 [6]	32 [8]	60 [6]
Canada	33 [6]	23 [10]	35 [7]	23 [10]	36 [7]	22 [10]	38 [8]	21 [9]	40 [8]	40 [8]	20 [9]	42 [8]
Australia	26 [8]	19 [11]	29 [9]	19 [11]	28 [9]	18 [11]	29 [9]	17 [10]	31 [9]	31 [9]	17 [10]	32 [9]
USSR	64 [2]	65 [2]	77 [2]	65 [2]	66 [2]	79[2]	—	—	—	—	—	—
Russia	—	—	—	—	50	—	54 [5]	—	57 [5]	57 [5]	—	56 [7]

*Source:* The scores for 1989 and 2000 are from Shuofeng Huang, *Zonghe guoli lun* (On Comprehensive National Power) (Beijing: Zhongguo shehui kexue chubanshe, 1992), 220–221. Scores for 2010 and 2020 were generated by Michael Pillsbury, *China Debates the Future Security Environment* (Washington, DC: National Defense University Press, 2000). Table 2 combines tables 9 and 10 in Pillsbury 2000, 248–249. Ranks for the 1970 and 1980 scores contain ties, because Pillsbury 2000 only provides percentages of US CNP for those years; actual CNP scores are provided for later years.

*Notes:* Huang 1992 shows projections to 2020 of AMS (Academy of Military Science) GNP statistics, shown here in **bold**. CASS is the Chinese Academy of Social Sciences.

However, for our purpose of obtaining an overview of China's security assessment and external strategy, several findings are instructive. First, although Chinese analysts in the 1990s debated (or even championed) a multipolar world, for the foreseeable future the United States will remain the most powerful country. Other than Pillsbury's projections, CNP trends seem to confirm the widely accepted view that the international structure since the end of the Cold War has been characterized by "*yi chao, duo qiang*" (one superpower, many great powers), although the gaps between "number one" and "numbers two and three" have narrowed. Second, there are variations between the two studies. The Chinese Academy of Social Sciences (CASS) study is more conservative on China's CNP, but seems to give Japan's economic power the kind of weight (or "Japan as number one" hype) that was fairly common before 1990 but is inappropriate today. In contrast, the AMS (Huang) study seems to give more credit to China's rise and better conforms to the popular Western image of China catching up. Both studies show that China's CNP has improved both absolutely and relatively from 1970 to 2000, and is projected to improve further after 2000. By 2010 the studies project China's CNP will be the third or fifth highest, and by 2020 China will become either the second or fifth most powerful nation in the world.<sup>9</sup> In other words, if China's economy can continue to grow, without interruption, at the rate it has achieved in the past three decades, China will certainly have accomplished its objective of peacefully rising into great (or even preeminent) power status.

Until its disintegration, the Soviet Union was the second most powerful nation. Although its CNP trailed that of the United States, it also led the third-highest CNP by a large margin. This confirms that the international system during the Cold War was essentially bipolar. However, after 1991, Russia, as the smaller and weaker successor state to the USSR, did not play as important a role in world affairs as the USSR did during the Cold War. Germany's and Japan's CNPs have consistently been around the third or fourth highest. Yet as one-dimensional powers, their limited military profile (as a result of their aggression and defeat during World War II) prevented their CNPs from being even higher.

Table 2 shows that over time certain developing countries (most notably, China, India, and Brazil) have played larger roles in international affairs, and their weights are expected to eclipse those of such industrialized nations as Britain, Canada, and Australia. This adds to

the multipolarity (*duojihua*) some envision in the twenty-first century. The table also shows that momentous economic changes—either consistent or prolonged differential rates of growth or the different degrees of suffering from a financial calamity (and the different abilities to resume growth)—would entail a profound geopolitical shift, as evidenced by changes in CNP (both scores and ranks). As an example, conventional wisdom holds that the 1997–1998 Asian financial crisis saw Japan decline and China rise vis-à-vis each other (Zoellick and Zelikow 2000).

The implied shifting power caused by the global financial crisis that began in the United States in 2008 lent further credence to questions the Chinese had been vigorously debating.<sup>10</sup> Among them are:

- Do the US-originating economic crisis and US military entanglement in Iraq and Afghanistan signify the decline of the United States in both power and legitimacy?
- Does that mean the international system will move toward a genuinely multipolar or even an apolar one?
- While in relative terms China's economy has so far outperformed all leading nations, how much can China expect to really close the gap with the United States?
- How should China adjust its behavior as its capabilities continue to grow, in absolute and relative terms? Should China continue to "hide its capacities and bide its time" Or is it in its interest to start "making contributions"?
- If China is to take a more active (if not assertive) approach in its external strategy, would its interests be best served by focusing on playing the role of being number two? This basically means accepting and hoping to reap the most benefits from a Western-directed world order. Molding China into a "responsible stakeholder" seems a more acceptable scenario to Western elites and has become the dominant discourse (Zoellick 2005; Ikenberry 2008). Or—a more likely possibility—should China play both a stakeholder and a challenger role, working with the existing system (cooperating and soft-balancing if necessary) while also challenging US preeminence through persuasion rather than enforcement (Odgaard 2009)?

These questions, predicated on the assessment (or perception) of a rising China vis-à-vis a declining United States, are undoubtedly

important. This article contributes by focusing on one important aspect of China's security assessment and external strategy—Sino-Indian relations—that has not received as much attention as it should by Chinese analysts (who tend to focus on Sino-American relations).

### **Indian Perspectives on Sino-Indian Relations: Key Factors**

The economic takeoffs of the world's two most populous nations are occurring simultaneously. China's and India's ascent entail far-reaching and complex geopolitical and geoeconomic implications. As one of the growing number of books on this subject (Emmott 2008; Engardio 2007; Garver 2002; Holstag 2010; Khanna 2007; Meredith 2007; J. Ramesh 2006; Sheth 2008; Sidhu, Singh, and Yuan 2003) put it, "Rarely has the economic ascent of two still relatively poor nations been watched with such a mixture of awe, opportunism, and trepidation" (Engardio 2007, 16). While the implications for the rise of China have been debated in the global or systemic contexts (Brown 2000; Johnston 2008; Mearsheimer 2001), as well as in regional or bilateral contexts (Kang 2007; Keller and Rawski 2007; Sutter 2005; Wang 2005; Womack 2006), relatively sparse scholarly discussion has been devoted either to India's rise (Cohen 2001; Panagariya 2008) or to how these two Asian great powers perceive each other's ascendancy. Yet as constructivists (Wendt 1992) would teach us, how these two states perceive each other and consequently negotiate their paths in substantially changed global and regional contexts will be important for scholars and policymakers.

This section analyzes this complex relationship and examines how Indian elites—in political, security, and economic arenas—perceive the rise of China. It also briefly discusses how Chinese elites view India-China relations.

#### *History*

Although China and India were two adjoining civilizations, there was remarkably little historical evidence of direct political interaction between them (Sidhu, Singh, and Yuan 2003, 9). However, there was

mutual intellectual fascination. Many Chinese scholars visited India in the first millennium to study Buddhism and other subjects, and many of them spent a decade or more in India. Chinese monks such as Faxian in the fifth century and Xuanzang in the seventh played important roles in introducing Buddhism to China and bridging the two cultures. Many Indian scholars also went to China and worked there between the first century and the eleventh (Sen 2005, 161). However, religion was not the only relationship between the two. Trade was also important. Indian intermediaries facilitated trade between China and western Asia for centuries (Sen 2005, 166). A branch of the famous Silk Road extended into the plains of northern India. But for the most part there was little interaction, mostly indirect, between China and India before the arrival of the Western imperial powers.

Colonialism afflicted both India and China and pitted the two civilizations against each other. During the Opium War (1839–1842), Britain tried to forcibly sell in China the opium produced by its East India Company. These two nations' shared colonial experience contributed to empathy—a kind of Asian and anti-imperial pride—between them. Both Nehru and Gandhi were friendly with the Nationalist Chinese leader Chiang Kai-shek. India gained independence from Britain in 1947. When Mao Zedong established a communist regime in China in 1949, India was among the first to recognize the People's Republic of China on April 1, 1950. Jawaharlal Nehru, typical of Indian leaders, personally invested in maintaining friendly ties with China and cultivating personal relationships with Chinese leaders, especially Chinese Premier Zhou Enlai. Nehru, who promoted the slogan "*Hindi-Chini bhai-bhai*" (India and China are brothers), reportedly said, "China was my most admired nation."<sup>11</sup> An Indian security analyst said, "From the 1950s on, we have looked at China from an Asian solidarity standpoint—whether it was nuclear weapons (China's 1964 explosion) or the United Nations (PRC's entry in 1971)."<sup>12</sup>

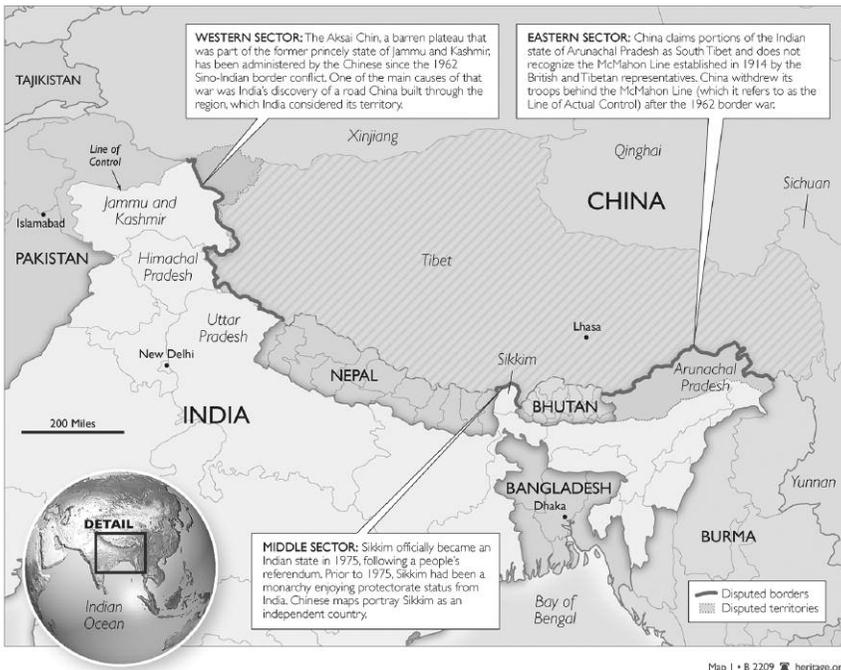
However, the goodwill was short-lived. For one thing, the colonial legacy also sowed the seeds for discord. The so-called McMahon Line—a demarcation line drawn on a map referred to in the 1914 Simla Accord, signed between Britain and Tibet—was to form the boundary between British India and Tibet. Britain and Tibet considered the agreement binding, but China, which claimed suzerainty over

Tibet, disputed the McMahon Line. India considered the line an international boundary. It was the root of the thorny and persistent border dispute between India and China (discussed below).

Figure 1 shows the disputed Indo-Chinese borders on the eastern sector (today's Indian state of Arunachal Pradesh, formerly North East Frontier Agency) and on the western sector (today's Chinese region of Aksai Chin).

In 1950, China's People's Liberation Army (PLA) entered Tibet and controlled the vast region that had historically served as a buffer (in strategic and cultural terms) between India and China. As former Indian Army chief of staff General Ved P. Malik put it, "The first time we [Indians] came into direct contact with Han Chinese was after

**Figure 1 India, China, and Disputed Borders**



Source: Lisa Curtis, "US-India Relations: The China Factor," *Backgrounder* (The Heritage Foundation), no. 2209 (November 25, 2008), p. 3. Used by permission and copyright of The Heritage Foundation.

1950, when the PRC occupied Tibet. We suddenly became neighbors."<sup>13</sup> In 1959, after the failed uprising against the PRC, the fourteenth Dalai Lama, Tibet's highest religious and political leader, fled to India. Nehru in 1960 offered Dharamsala as a location for the government of Tibet in exile. The Tibetan refuge in India became another irritant in the bilateral relationship.

In 1962 the small skirmishes that were not uncommon along the disputed border escalated into open military confrontation. War erupted on October 20, 1962, when Chinese troops forcibly evicted Indian troops from the Dhola post in the eastern sector. Over the next month the Chinese troops easily overwhelmed ill-prepared Indian troops in all sectors along the McMahon Line. Then on November 21, the Chinese government announced a unilateral withdrawal to points where it considered the territorial boundaries to be. Although the war did not change the status quo of the border, India essentially had lost the war, suffering territorial loss and national humiliation (Sidhu, Singh, and Yuan 2003, 15). Ever since then, the 1962 war has cast a long shadow over the Indo-Chinese relationship, and India's defeat has indelibly colored perceptions of China.

The worsening Indo-Chinese relations became entangled in the regional alignment during the Cold War, with the Soviet Union and India on one side, and China and Pakistan (and later the United States) on the other. China's successful nuclear tests in 1964 deepened Indian apprehensions. If the 1962 war taught India the importance of indigenous conventional deterrence, India's nuclear tests ten years later sought to respond to China's nuclear capabilities. From 1962 to 1976 China and India were mired in a tense cold war. It was not until 1976 that the two countries again exchanged ambassadors. Ancient affinity and modern enmity provide a historical backdrop for Indo-Chinese relations.

### *Geography*

Historically, China and India each had its own geographic orientation: China toward East Asia and India toward South Asia. But modern Tibet after China's entry in 1950 connected these two spheres. The two countries' rapid economic growth in the 1990s enabled them to develop missile technologies, which had the effect of what Paul

Bracken called “shrinking the strategic chessboard” (1999). In the past decade, the two began to venture into the other’s sphere. China expanded its influence in the Central and Southwest Asian areas by organizing and promoting the Shanghai Cooperation Organization (SCO).<sup>14</sup> China has gained significant influence in the region by increasing energy investment, trade ties, and military cooperation with its Central Asian neighbors. In contrast, India pursued a “Look East” policy by strengthening its relationships with countries in East and Southeast Asia. China and India both seek to play a greater role in areas adjacent to their own and beyond, thus maneuvering in overlapping strategic spaces.

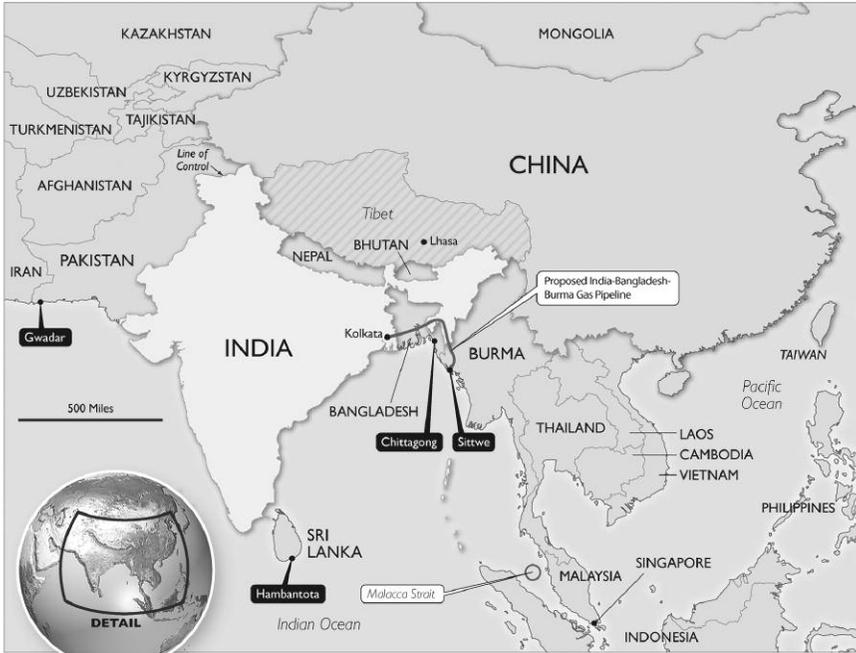
Ranjit Gupta, a former Indian ambassador to five countries, thinks that China has always treated India with hostility, adopting a “systematic plan” to hem in India through the support of Pakistan; influence in Myanmar, Nepal, and Bangladesh; and military activities in Tibet. He argues that historically China has behaved like an imperial power, expanding when the empire was strong.<sup>15</sup>

In the past decade, China has sought to ensure its energy security and shore up its oil supply route (Lieberthal and Herberg 2006) by constructing facilities and securing access to ports around India, such as Gwadar Port in Pakistan, Hambantota in Sri Lanka, Chittagong in Bangladesh, and Sittwe in Myanmar (see Figure 2). This development has led some Western writers to speak of a Chinese “string of pearls” strategy. Some hypersensitive Indian commentators warn that China is turning the Indian Ocean into a “Chinese Lake.”<sup>16</sup> In 2009 China dispatched destroyers to the Gulf of Aden to protect Chinese merchant ships from Somali pirates rampant in that area. The flotilla’s long voyage through the Indian Ocean caused some concerns in India. There was also a reported but unconfirmed tense standoff involving Indian and Chinese warships (*BBC Monitoring South Asia* 2009).

### *Territorial Disputes*

Among all the issues separating China and India, the territorial disputes arising from the unresolved boundaries have had the deepest impact on Indians’ views of China. Nearly every Indian informant whom I met during field research in 2008 raised the border issue as a

Figure 2 Key Locations in the India-China Region



Map 2 • B 2209 heritage.org

Source: Lisa Curtis, "US-India Relations: The China Factor," *Backgrounder* (The Heritage Foundation), no. 2209 (November 25, 2008), p. 7. Used by permission and copyright of The Heritage Foundation.

major obstacle to a better Indo-Chinese relationship. They feared the potential for another flare-up.<sup>17</sup>

As mentioned earlier, the border disputes can be traced back to the McMahon Line. After the 1962 war, the two sides largely observed the Line of Actual Control (LAC) in the eastern sector and the Line of Control (LOC) in the western sector. The results are that China claims the Indian-controlled Arunachal Pradesh, and India claims the Chinese-controlled Aksai Chin. The Chinese claim is partially based on Tawang, the birthplace of the sixth Dalai Lama. Tawang was once a part of Tibet, but after the 1914 Simla Accord it became a part of India. The Chinese argue that Tawang is a Tibetan territory, and because Tibet is considered part of China, the entire

Arunachal Pradesh is Chinese territory. India claims Aksai Chin, which connects Tibet and China's northwestern province of Xinjiang, as the easternmost part of its Jammu and Kashmir state.<sup>18</sup> Kashmir itself was partitioned three ways by India, Pakistan, and China.

Occasionally, Chinese emphasis on its legal rights annoys the Indians. Just days before Chinese President Hu Jintao's state visit to India in November 2006, the Chinese ambassador to India, Sun Yuxi, declared, "In our position the whole of what you call the state of Arunachal Pradesh is Chinese territory and Tawang is only one place in it and we are claiming all of that. That's our position" (R. Ramesh 2006). In 2007 the Chinese embassy in Delhi pressed its position by rejecting a visa to an Indian official from northeastern Arunachal Pradesh state on the grounds that he did not need one, since he was a "Chinese citizen" (Velloor 2007).

The respective statuses of Tibet and Sikkim, which India incorporated in 1975 as its twenty-second state, add to the complexity.<sup>19</sup> In reality, this issue is mainly a placeholder, and its impact will be "bounded." In recent years, the two sides set up working groups to deal with the border issue and try to resolve it peacefully. They have also done a better job of "compartmentalizing" this issue to keep it from obstructing an overall improvement of bilateral relations.<sup>20</sup> As a US diplomat aptly put it, "The border issue is unlikely to be a serious problem in the relationship, because both sides benefit from this 'festering' that allows them to justify more military spending and certain postures."<sup>21</sup>

### *Mutual Threat Perception and Triangular Strategic Relationships*

As Table 3 shows, both countries have substantial military capabilities. The memory of war influences their defense planning. Over time, each has deployed certain weapons against the other. As mentioned above, India's 1974 nuclear tests were spurred by China's successful tests in 1964. India exploded another nuclear bomb in 1998. India's defense secretary, George Fernandes, specifically justified India's actions on the basis of the China threat and the Sino-Pakistani alliance (PTI News Agency 1998).

China has always loomed large in India's defense and foreign

**Table 3 China vs. India: The Rise of Two Asian Giants**

	China	India
Gross domestic product (with PPP) (\$ bn)	9,872	4,046
World rank	2	4
GDP real growth rate (%)	10.3	8.3
GDP (official exchange rate) (\$ bn)	5,745	1,430
GDP per capita (with PPP) (\$)	7,400	3,400
Exports (\$ bn)	1,506	201
Imports (\$ bn)	1,307	327
Main export partners (%)	United States (20.0), Hong Kong (12.0), Japan (8.3), South Korea (4.6)	United Arab Emirates (12.9), United States (12.6), China (5.6)
Main import partners (%)	Japan (12.3), Hong Kong (10.1), South Korea (9.0), United States (7.9)	China (10.9), United States (7.2), Saudi Arabia (5.4), United Arab Emirates (5.2)
Stock of foreign direct investment at home (\$ bn)	574.3	191.1
Foreign exchange reserves (\$ bn)	2,622	284.1
Population (millions)	1,321.9	1,129.9
Armed forces (number)	2,105,000	1,288,000
Main battle tanks (number)	7,660	4,059
Artillery (number)	17,600	5,680
Surface combatant vessels (number)	75	48
Submarines (number)	62	16
Aircraft carriers (number)	0	1
Combat aircraft (number)	2,554	99
Attack helicopters (number)	39	20
Nuclear weapons status	Confirmed	Confirmed
Chemical weapons status	Probable	Confirmed
Biological weapons status	Suspected	Unknown
Short-range ballistic missile status	Confirmed	Confirmed
Medium-range ballistic missile status	Confirmed	Confirmed
Intermediate-range ballistic missile status	None	Confirmed
Submarine-launched ballistic missile status	Confirmed	Probable
Intercontinental ballistic missile status	Confirmed	None
Strategic bomber status	None	None
Strategic submarine status	Confirmed	None
WMD commitments	BTWC, CWC, NPT	BTWC, CWC

*Sources:* Central Intelligence Agency, *The World Factbook*, 2011, at [www.cia.gov](http://www.cia.gov);  
National Bureau of Asian Research, *Strategic Asia*, 2011, at <http://strategicasia.nbr.org>.

*Notes:* Economic data are as of end of 2010; military data are as of 2007.

policies. The 1962 war, the border dispute, the complex ménage à trois of China-India-US and China-India-Pakistan relations, and each nation's ambitions all play a role, causing each side to suspect the true intentions of the other side. Some Indians viewed the SCO and the supposed String of Pearls strategy suspiciously.<sup>22</sup> India was especially concerned about China's military assistance to Pakistan, which allows the latter to act as a proxy to "weigh down" India. A hard-nosed Indian analyst asserts, "China and India are natural rivals in Asia for geostrategic, economic, and ideological (democracy vs. autocracy) reasons. In every aspect, we are contrasts. Our interests clash. We also compete for the same resources in Africa. Such rivalry is not easily reconcilable."<sup>23</sup> Many Indians feel that a rising China may actually make it harder for India to ascend—a zero-sum prospect.<sup>24</sup>

### *Economic Partnership and Rivalry*

In many respects, China's economic data are more impressive than India's. China has achieved higher growth rates and a higher income level, has a larger economy and greater trade volume, and has attracted more foreign investment than India. But their economies are also complementary. China's success stems from being the manufacturing base of foreign multinationals with global sales networks, whereas India's economy is domestically oriented, focusing on engineering and service (Engardio 2007; Huang and Khanna 2003). China's hardware proficiency can complement India's software prowess. Some Indians and (fewer) Chinese envision the two nations merging into a giant "Chindia"—a formidable economic partnership with the world's largest populations and complementary economic strengths (Engardio 2007; J. Ramesh 2006).

Yet their two economies also compete, especially over energy resources. While many in the Indian business community see an economically rising China as an opportunity (for Indian products or services, for business alliance possibilities), more see it as a threat. During a field trip to Mumbai and Delhi in May–June 2008, this author sought to study the impact of Chinese products on Indian companies and consumers by direct observation and interviewing of elites. Indian companies that exclusively serviced the domestic market often complained about the inexpensive Chinese goods that were flooding

the Indian market. Consumers were more ambivalent: While they generally liked the low-cost Chinese goods, they were also concerned about food and product safety, as well as the quality of the goods. Indian companies that sell to international markets invariably face strong competition from their Chinese counterparts. Some executives were convinced that the incredibly low prices of the Chinese products, which undermined the Indian companies, could only have resulted from the Chinese government's help.<sup>25</sup> In this regard, India's experience is not too different from that of other countries, where there has been a backlash against cheap and unsafe Chinese products.

### *Cooperation and Competition in Global Governance*

These two aspiring great powers maintain an extremely complex relationship concerning global governance—that is, the respective role of each country and the role of the Global South in general. On certain global economic issues, they cooperate. The two were leading forces behind the “revolt” of the Global South at the 2003 Cancún meeting that led to the collapse of the Doha Round—the latest multilateral negotiations under the aegis of the World Trade Organization (WTO). Both critiqued the “democratic deficit” of the main Bretton Woods institutions, the WTO, the International Monetary Fund, and the World Bank, and advocated expanded roles and higher profiles for the Global South (especially the largest emerging economies, such as China and India) in international financial decisionmaking. China and India also accused the Global North of being hypocritical and self-serving for wanting access to the service, investment, and information technology sectors of the Global South while protecting their own politically influential agricultural sectors.<sup>26</sup>

In the ill-fated Copenhagen conference on global climate change in December 2009, China and India also adopted similar positions. These included insisting on developing countries' right to economic development, refusing to accept mandatory cuts in pollution levels, and proposing to decrease the energy intensity of industries. These positions belie the fact that China and India are now the world's largest and third-largest emitters, respectively, of carbon dioxide, although China has more at stake on this issue than India.<sup>27</sup> As members of the BRIC group, China and India have tried to coordinate their

policies on several issues related to global governance, including the holding of annual meetings.

However, the two also clash on some key issues. China is a permanent member of the UN Security Council (UNSC). India has lobbied for “UN reform”—most importantly, expansion of the Security Council in the name of greater democracy and fairer representation. India has argued that it deserves a permanent seat because it has the world’s second-largest population (and soon the largest) and nuclear weapons, and because there is only one Asian country and only one developing country on the UNSC. But China has jealously guarded its own seat. It has been cold to any suggestions for UNSC expansion, rebuffing proposals for seating other developing countries besides India, such as Brazil, Indonesia, and South Africa. The Chinese view is that admitting any of them would raise the issues of Japanese and German representation. To oppose Japan’s seat, China must also reject India’s bid. China can thus ensure it will have more global influence than India.

Being among the world’s fastest-growing economies, China and India both have huge energy needs and have elevated the importance of “energy security” in their external strategies, including global sourcing and transport of oil. While China is more aggressive in this regard, the two share many similarities in their attempt to achieve energy security. This could be another area of potential conflict.

### **Chinese Perspectives on Sino-Indian Relations**

Until now Chinese elite discourse on India has been predominantly informed by realism.<sup>28</sup> This observation contains several aspects. As already mentioned, the 1962 war and the unresolved territorial disputes have importantly and continually conditioned the Chinese perception of India. Then there are contending spheres of influence: China concedes South Asia as India’s sphere of influence. It seeks to confine India in that region by establishing good relations with India’s other South Asian neighbors (particularly Pakistan)—a balance-of-power strategy—while preventing India from getting deeply involved in East Asia. In recent years, each has treaded into the other’s sphere of influence: As a result of its growing dependence on foreign trade and

raw materials and its desire to develop maritime power commensurate with its growing stature and interests, China has become more active in the Indian Ocean. Meanwhile, India's "Look East" policy has led it to forge stronger ties with Asian democracies such as Japan, Australia, Taiwan, and certain Southeast Asian countries that lie at the western Pacific littoral and have strong relations with the United States.

Chinese realism also embraces alliance relationships, power considerations, and threat perceptions. The opposing alliances that China and India belonged to during the Cold War (India with the Soviet Union and China with Pakistan) contributed to mutual suspicion and prevented a better relationship. In terms of national power, China has always been very conscious of its relative standing in the world vis-à-vis India's and the gap between the two, and concomitantly has usually regarded China as enjoying a comfortable lead. China has taken additional measures to widen that gap, for example, by arming Pakistan to wage a kind of proxy war, and tends to regard India's rising power warily. As for threat perceptions, these are mutual: Whereas India justified its 1998 nuclear tests by invoking a perceived threat from China, China was irritated by this argument and reacted by initially trying to enlist the United States to "punish" India through sanctions. More recently, China has feared that the US-India nuclear energy deal not only aims at countering China but also breaches the nuclear nonproliferation regime.

The 1998 Indian nuclear tests ironically emerged as a turning point in Chinese perspectives about, and policies toward, India. As the CNP comparisons in Table 2 suggest, throughout the Cold War and until the late 1990s, Beijing was not convinced that relations with India would be as strategically significant for China as the relations it was cultivating with other major powers (Goldstein 2005).<sup>29</sup>

The generally skeptical or dismissive view of India held by Chinese elites resulted from several sources. One was China's confidence stemming from its military victory over India in 1962. China's more impressive economic performance compared to India's is another reason, as recounted earlier. Beijing's much earlier start of economic reforms, its higher growth rates and GDP, the greater wealth of the average Chinese (see Table 3), and its far larger direct foreign investment and foreign exchange reserves all contribute to the self-

confidence of Chinese elites. In addition, Chinese analysts generally view India's ethnic, religious, and linguistic diversity (or cleavage) as a handicap. And they also generally view India's domestic politics (its federal system, extremely fragmented party politics, and chaotic, inefficient democracy) as a serious impediment to India's future prospects.

Bilateral relations did not begin to improve and Chinese evaluations of India did not begin to change until the impetus provided by India's 1998 nuclear tests. Since then, official relations have considerably warmed. In June 2003 Indian prime minister Atal Bihari Vajpayee made a historic visit to China, the first in over a decade. The two have elevated their relationship to one of "strategic and cooperative partnership" for peace and stability. During Chinese President Hu Jintao's visit to India in November 2006, the two sides adopted a ten-point strategy to further strengthen the bilateral relationship. Jingdong Yuan, a China expert, quoted a Chinese diplomat by characterizing China's new perspective: "Beijing now views its relationship with India as one of global and strategic importance that is long-term, all around, and stable" (2008).

Diplomatic pleasantries notwithstanding, my interviews in 2006 with Chinese specialists suggest that perspectives on India can be reduced to several specific elements. First, while China must accomplish its goal of "peaceful rise" and to some extent reckon with the gains it has achieved so far, China must also accept that India is also rising. India, too, has ambitions to play a greater role in regional and global politics and economics. But China must "manage" India's rise by reducing the threats a rising India will pose to China and by selectively cooperating on issues of mutual interest. Therefore, China should reduce or eliminate the chance that India may harm China's interests by compartmentalizing the border disputes, containing the Tibet issue, and keeping alive the "Pakistan card." Moreover, China must carefully monitor the implications of India's military modernization and India's growing security and overall relations with the United States, lest they harm China's interests or aspirations.

On the other hand, to enhance cooperation, my interviewees said that China should increase trade with India. It should also attempt to cajole India into taking the same side as China on various international

issues. One issue is climate change, which is aligning fast-growing, large developing nations against well-established industrial economies that have polluted the environment. Another is reform of the global trade and financial systems by redressing the "democratic deficits" of the IMF and World Bank. Developing countries, particularly China, India, and Brazil, should play greater roles in these institutions. They should participate in setting the rules rather than abiding by the rules set by the West (Stiglitz 2006). Yet, when all is said and done, the experts say that although China must treat India with more respect, China still does not see India as being in the same league as China.

While Indian-Chinese relations have changed—for the better in many respects—the above complex motivations and calculations show that bilateral relations will remain mainly instrumental and pragmatic. There remain limits to cooperation and potential for conflicts. To sort out the alternative scenarios, we need not only to inquire into the distribution of the various *types* of elites (realists, liberals, constructivists); we may also benefit from three contrasting paradigms defined below.<sup>30</sup>

## Contending Paradigms

### *Geopolitics*

Ever since India and China came into direct contact via Tibet, geography has conditioned their relations. The Chinese have a saying: "A distant relative is less useful than a proximate neighbor." Friends can change, but neighbors can't. "You can't change geography," says an Indian think tank analyst.<sup>31</sup> So, as the logic goes, India must get along with China. Indeed, various Indian leaders have made this a priority, although many Indians believe that India's goodwill is not reciprocated. The existence of a third neighbor, Pakistan, complicates the relationship between these two neighbors. So does the fact that China's and India's strategic spaces overlap; they both have ambitions to become major regional if not world powers. Another Chinese saying is relevant here: "The same mountain cannot accommodate two tigers." From India's perspective, Chinese hegemony is unacceptable. A rising China makes India's ascent more difficult, if not impossible. It

can also explain why the Indians felt compelled to sign a landmark nuclear energy agreement with the United States.

In the geopolitics paradigm, the logic of balance of power prevails. Competition, mutual suspicion, alliance, and military buildup—standard tenets of realism—have heavily conditioned Indo-Chinese relations. Power is important in this paradigm. Tan Chung depicts power politics as horizontal expansion, which leads to border disputes. As stated, historically China and India did not have border disputes; China did not occupy Tibet until 1950. Modern concepts of sovereignty and territorial integrity have ensnared both China and India.

Viewing Indo-Chinese relations through the geopolitics paradigm will have a negative impact on the relationship. Many of this author's informants seemed to accept certain basic realist premises, and their arguments confirmed the geopolitics paradigm.

### *Geoeconomics*

At the same time, China and India are both rising economically, and complementarity exists between their economies. In the geoeconomics paradigm, the logic is interconnectivity and mutual dependence. This creates space and turns the zero-sum competition of the realist paradigm into a win-win situation. An increasing number of books champion this prospect (Engardio 2007; Meredith 2007): China's hardware combining with India's software; China's yang blending with India's yin. Judging from the still relatively moderate trade volume between the two, and the fact that neither is a key trading partner to the other, there exists immense potential for a closer economic partnership to gradually emerge, which would help ameliorate the overall bilateral relationship.<sup>32</sup>

However, the emergence of "Chindia" requires a leap of faith that is not supported by evidence. While several of my informants thought Chindia was a good idea, almost nobody predicted it would happen.

### *Geocivilizations*

The third paradigm is not the mainstay of Western international relations theories. It is reflectivist, rather than rationalist. Its logic is affinity, rather than material interests. Economic historian Angus Maddison

opined that in the past one thousand years, China's population had constituted a third to a sixteenth of the world's population, and that India's population had sometimes been larger than China's (2001, p. 28). In Tan Chung's view, this meant that these two countries were most hospitable. He described their relationship as "made in heaven" (2008). With population congregating, wealth was created. Their shared origins in the Himalayas, Ganges, and Indus gave rise to the Indian civilization; the Yellow and Yangtze rivers gave rise to the Chinese civilization.

Mao Zedong in his lifetime only ventured outside China twice, it is said: to the Soviet Union and to the Indian embassy. Nehru, whose affection for China was legendary, was welcomed by five hundred thousand people when he visited China. All Chinese believe that when they die, they "return to the west," that is, to India. Buddhism originated in India but flourished in China. One Indian scholar hailing from Ladakh summarized his visits to China this way: "People conjure up India as 'the land of the Buddha,' or land of poverty."<sup>33</sup> Although some Indians rightly feel that the Chinese may have behaved in a condescending or overbearing way toward Indians, China's current advantage is not preordained, nor can it be expected to last forever.

The geocivilizations paradigm calls for a fundamental reconceptualization of the Indo-Chinese relationship. It is far-fetched to imagine an Indo-Chinese partnership that is as cordial or close as the US-UK bond. But appreciating each other's civilizational attractiveness can form a deep and enduring bond that is currently missing in the Indo-Chinese relationship. Based on this author's fieldwork in 2006 and 2008, an overwhelming majority of Chinese informants (85 percent) adopt the geopolitical paradigm, a minority the geoeconomic, and virtually nobody the geocivilizational paradigm. In India, roughly 60 percent of informants adhere to the geopolitical paradigm, 30 percent to the geoeconomic, and 10 percent to the geocivilizational. This rough estimate of the distribution of elite beliefs helps us understand the future of Indo-Chinese relations.

## **Prospects**

What does the future hold for Indo-Chinese relations? Generally speaking there are three scenarios. The first is continued, even height-

ened, *rivalry*, guided by the logic of the geopolitics paradigm. Indications of this are not difficult to find. China figures prominently in Indian defense planning. China's growing military and economic power may deeply unsettle India. With newly accumulated wealth from almost two decades of fast growth, India can now devote greater resources to the military. It will become more aligned with the United States, in a reversal of its stance during the Cold War. The US-Indian nuclear agreement epitomizes this trend. China may enhance its support of Pakistan and increase its influence in the South Asian continent, the Indian Ocean, and Southwest Asia.

The second possibility is "*Chindia*," driven by the logic of the geoeconomics paradigm. Here, China and India would jointly promote a multipolar world and a more equitable global order (e.g., reforming the United Nations). However, an Indo-Chinese entente aimed at the United States is unlikely, as each derives many benefits by maintaining a good relationship with the United States.

The third possibility is *pragmatic management* of their relationship, seeking solutions to their unresolved disputes while exploring areas of cooperation. Compared to the hot war of 1962 and the cold war that ensued, the Indo-Chinese relationship has shown promise of normalization. However, irritants still exist. The two sides should not be satisfied with prolonged but indecisive talks on settling the border issue. The Chinese have had border disputes with just about every one of its land neighbors. For long periods of time, China typically remained stuck in principled positions without any real progress, but it showed in a number of cases that it could make concessions and conclude an agreement (*International Herald Tribune* 2008, 3). Both China and India need to show greater political will in order to settle the border dispute, such as by mutually recognizing each other's actual areas of control. Other confidence-building measures, such as greater Chinese sensitivity to Indian concerns about China's support of Pakistan and greater transparency and better communication to prevent accidents or misperceptions, would help. For a truly solid relationship, the two will benefit from the insights of the geocivilization paradigm.

China and India are two large developing countries that are making remarkable transformations. Their choices, including interpreting the other's intentions, will importantly shape our future world. Just as

Alexander Wendt cogently said, "Anarchy is what states make of it" (1992). The future of the Indo-Chinese relationship is not condemned to rivalry and hospitality; nor will a Chindia naturally result, just because it "makes sense." To return to the constructivist axiom, the future depends on the evolving structure of elite identities and preferences, informed by the three paradigms and socialized through interactions.

## Notes

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1. The term BRIC (or BRICs) was first coined by Goldman Sachs in 2001 and subsequently made popular (Wilson and Purushothaman 2003). The group was renamed after South Africa was admitted to the group's summit meeting in April 2011. BASIC (or BASICs) refers to a bloc of four large developing countries—Brazil, South Africa, India, and China—that initially decided in an agreement on November 28, 2009, to coordinate their collective stance on global climate change at the December 2009 Copenhagen Climate Summit (Dasgupta 2009).

2. For discussions of Chinese analysts' perception of the country's external security environment, especially along its periphery, see Pillsbury (2000), Yang (2003), and Zhu (2002).

3. For two similar definitions of "grand strategy" as the term is usually used by international relations scholars, see Goldstein (2005, 17) and Kane (2002, 2).

4. For an exposition of the concept of "peaceful rise" aimed at Western audiences, see Zheng (2005). Zheng is considered one of the most important advisers to Hu.

5. Starting in mid-2004, the theory of "peaceful rise" put forth by the Hu Jintao regime as China's grand strategy for the twenty-first century quietly disappeared from the statements of senior government officials and the Chinese Communist Party's official documents. The term was replaced by "peaceful development." Analysts attribute this change to the power struggle between Hu and his predecessor, Jiang Zemin, who vacated the posts of party chief in November 2002 and state president in March 2003, but held on to the chairmanship of the powerful party Central Military Commission until October 2004.

6. For an account on China's more confident diplomacy, see Medeiros and Fravel (2003). Gill (2007) provides a convincing case study of how China has modified its diplomacy in the security area and achieved greater success.

7. For China, the word "multilateralism" now sounds like a coded opposition to US "unilateralism." China's expressed preference is for a "multipolar"

world (in which China acts as a great power) to a “unipolar” world founded on US hegemony.

8. For example, on the South China Sea issue, China acceded to the Association of Southeast Asian Nations (ASEAN) Treaty of Amity and Cooperation and promoted peaceful dialogue over territorial disputes. On Taiwan, China has replaced its military bluster with economic enticements.

9. This previous projection was confirmed by the power shift after the 2008 global financial crisis. A 2009 CNP study by the South Korean newspaper *Chosun Daily* ranked the United States and China first and second, with CNPs of 69.15 and 54.73, respectively (Hangzhou.com 2009).

10. These questions were summarized from the author’s interviews with two dozen Chinese think tank analysts and international relations scholars in Beijing and Shanghai in June 2006.

11. Speech by Professor Tan Chung at National Taiwan University, Taipei, May 20, 2008. Tan and his father, Tan Yunshan, together spent eighty years in India.

12. Interview with Professor Phunchok Stobdan, senior fellow, Institute of Defense Studies and Analysis, Delhi, June 2, 2008.

13. Interview with General Ved P. Malik, president, Institute of Security Studies, Observer Research Foundation, Delhi, June 2, 2008.

14. The SCO was founded in 2001 by the leaders of China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. All but Uzbekistan were the founders of the Shanghai Five in 1996. The SCO currently has four observer states: India, Iran, Mongolia, and Pakistan.

15. Interview with Ambassador Ranjit Gupta (retired), Delhi, May 26, 2008. Ambassador Gupta admitted that his viewpoints on China reflect that of the security community and are uncommon among Indian foreign service officers.

16. “Ocean Is Chinese Lake: ‘String of Pearls’ Threatens India,” February 12, 2009, at [www.zimbio.com](http://www.zimbio.com).

17. Interview with Brigadier Gurmeet Kanwal (retired), director, Center for Land Warfare Studies, Delhi, June 3, 2008; interview with Rajeswari Pillai Rajagopalan, senior fellow, Observer Research Foundation, Delhi, May 28, 2008.

18. Historically, Aksai Chin was part of the Himalayan kingdom of Ladakh. Ladakh was annexed from the rule of the local Namgyal dynasty by the Dorgas and the princely state of Kashmir in the nineteenth century. It was subsequently absorbed into British India.

19. In 2000 the seventeenth karmapa, Urgyen Trinley Dorje, who had been proclaimed a lama by China, made a dramatic escape from Tibet to the Rumtek Monastery in Sikkim. Chinese officials were in a quandary on this issue, as any protests to India would mean an explicit endorsement of India’s governance of Sikkim, which the Chinese still regarded as an independent state occupied by India. China eventually recognized Sikkim as an Indian state in 2003, on the condition that India accept Tibet as a part of China. This mutual recognition led to a thaw in Sino-Indian relations.

20. Interviews with Sibi Goerge, political counselor, and S. D. Sharma, head of chancery, Embassy of India, Washington, DC, May 9, 2008.

21. Interview with Joel Ehrendreich, political affairs representative, US Embassy, Delhi, June 4, 2008.

22. Interview with Narendra Kumar Tripalhi, United Service Institution of India, Delhi, June 2, 2008.

23. Interview with Bharat Karnad, research professor, National Security Studies, Center for Policy Research, Delhi, June 4, 2008.

24. Interviews with Rajesh Rajagopalan, professor of international politics, Jawaharlal Nehru University, Delhi, May 27, 2008, and Nandan Unnikrishnan, director, Eurasian studies, Observer Research Foundation, Delhi, May 28, 2008.

25. Interviews with Anil Tiwari, Shree Krishna Engineering Works, Mumbai, May 24, 2008; Bhavin Shah, Alkon Plastics Pvt. Ltd., Mumbai, May 24, 2008; Prayag Thakkar, Mutual Industries, Mumbai, May 24, 2008; Vinay Sawar, Teryai Equipment, Mumbai, May 24, 2008.

26. However, it should be pointed out that notwithstanding these broad generalizations, there are nuances. For example, on North-South issues, India often behaves more like a southern country than China, reflecting the greater benefits China derives from the global economy. China's economic reforms began in 1978–1979, some thirteen years earlier than India's.

27. As of 2007, China, the United States, and India were responsible for 22.3 percent, 19.9 percent, and 5.5 percent, respectively, of the world's emissions of carbon dioxide. See [http://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_carbon\\_dioxide\\_emissions](http://en.wikipedia.org/wiki/List_of_countries_by_carbon_dioxide_emissions) (April 2011).

28. Author's interviews with two dozen Chinese think tank analysts and international relations scholars in Beijing and Shanghai in summer 2006.

29. Goldstein (2005, 168) has described his Chinese interlocutors (during the 1998–2000 period) as often expressing rather skeptical, even dismissive, views of India's prospects. During field research in Beijing and Shanghai in summer 2006, this author got essentially the same impression, albeit with less dismissive attitudes. Chinese interviewees spent much more time discussing relations with the United States and Japan, and issues such as North Korea, Taiwan, and terrorism, than talking about India. There were very few South Asia experts in these interview sessions.

30. The following section benefits from Professor Tan Chung's lecture at National Taiwan University, Taipei, May 20, 2008.

31. Interview with Nandan Unnikrishnan, Delhi, May 28, 2008.

32. Trade between China and India crossed the \$10 billion mark at the end of 2004. See Strobe Talbott's foreword to Jairam Ramesh's *Making Sense of Chindia*, retrieved online at [www.jairamramesh.in](http://www.jairamramesh.in) (February 26, 2010). Although trade relations have been fast-growing, they have not been balanced. In 2008, two-way trade was \$40.2 billion, with an Indian trade deficit of \$11.4 billion. China was India's third-largest export destination, absorbing 9.3 percent of Indian exports (\$155 billion). China was also India's largest import source (11.1 percent of \$232.2 billion), and overall India's largest trading partner. India was not as important to China's trade; it was not among China's top-five export or import partners. Data calculated from Central Intelligence Agency 2010, February 15, 2010. Chinese Premier Wen Jiabao had called for bilateral trade to increase to \$60 billion by 2010.

33. Interview with Phunchok Stobdan, June 2, 2008.

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