

The Indian-Chinese Relationship: The Political, Economic, and Military Obstacles to a Counter Balance in Asia

A Monograph

by

MAJ Daniel W. Harmon
US Army



School of Advanced Military Studies
US Army Command and General Staff College
Fort Leavenworth, KS

2018

Approved for public release; distribution is unlimited

REPORT DOCUMENTATION PAGE

*Form Approved
OMB No. 0704-0188*

The public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.
PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS.

1. REPORT DATE (DD-MM-YYYY) 05/24/2018		2. REPORT TYPE Masters Thesis		3. DATES COVERED (From - To) JUN 2017 - May 2018	
4. TITLE AND SUBTITLE The Indian-Chinese Relationship: The Political, Economic, and Military Obstacles to a Counter Balance in Asia				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S) MAJ Daniel Harmon				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) US Army Command and General Staff College ATTN: ATZL-SWD-GD Fort Leavenworth, KS 66027-2301				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES) Advanced Military Studies Program				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for Public Release; Distribution is Unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT This monograph determines that India is currently an unsuitable counterbalance to China due to its political preferences, limited economy, and insufficient military capabilities. This monograph recommends an empowered India that can improve its capabilities to overcome obstacles while building trust with the United States. The United States should promote multi-lateral economic and political partnerships in the region, as well as support Indian military development in logistical capabilities. The United States should remain committed as an equal and cooperative partner with India, seeking to promote mutual and regional goals while allowing Chinese actions to spur concern independently.					
15. SUBJECT TERMS National Security; Indo-Pacific Security; International Relations; Strategic Studies; India; China; Indian Military, Indian Maritime; Pacific; Sino-Indian Realtions					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON
a. REPORT	b. ABSTRACT	c. THIS PAGE			MAJ Daniel Harmon
(U)	(U)	(U)	(U)	39	19b. TELEPHONE NUMBER (Include area code)

Monograph Approval Page

Name of Candidate: MAJ Daniel W. Harmon

Monograph Title: The Indian-Chinese Relationship: The Political, Economic, and Military Obstacles to a Counter Balance in Asia

Approved by:

_____, Monograph Director
John M. Curatola, PhD

_____, Seminar Leader
Jason A. Curl, COL

_____, Director, School of Advanced Military Studies
James C. Markert, COL

Accepted this 24th day of May 2018 by:

_____, Director, Graduate Degree Programs
Robert F. Baumann, PhD

The opinions and conclusions expressed herein are those of the student author and do not necessarily represent the views of the US Army Command and General Staff College or any other government agency. (References to this study should include the foregoing statement.)

Fair use determination or copyright permission has been obtained for the inclusion of pictures, maps, graphics, and any other works incorporated into this manuscript. A work of the United States Government is not subject to copyright, however further publication or sale of copyrighted images is not permissible.

Abstract

The Indian-Chinese Relationship: The Political, Economic, and Military Obstacles to a Counter Balance in Asia, by MAJ Daniel W Harmon, US Army, 39 pages.

What aspects of India's political relationships, economy, or military provide an opportunity or an obstacle to serving as leverage against China. The United States has identified India as a potential counter-balance to China. This monograph determines that India is currently an unsuitable partner due to its political preferences, limited economy, and insufficient military capabilities. Politically, India prefers multi-lateral cooperation which fosters goodwill and respects the sovereignty of all nations. This monograph recommends an empowered India that can improve its capabilities to overcome obstacles while building trust with the United States. These include grooming India as a regional power through both leadership and administration of multi-lateral military exercises. The United States should promote multi-lateral economic and political partnerships in the region, as well as support Indian military development in logistical capabilities. The United States should remain committed as an equal and cooperative partner with India, seeking to promote mutual and regional goals while allowing Chinese actions to spur concern independently.

Contents

Abstract	iii
Acknowledgement	v
Illustrations	vi
Introduction	1
India's View of the World.....	2
India's Foreign Realties	9
India's Economy.....	14
India's Military Considerations	24
Considerations of Military Support to India.....	30
Conclusion.....	36
Bibliography	40

Acknowledgements

I want to thank Dr. John Curatola for his expertise, guidance, and patience as my syndicate director in the writing of this monograph. I also want to recognize my seminar leader, COL Jason Curl for his mentorship and guidance as well as motivation to complete this monograph. I am grateful for the dedication and expertise of the SAMS faculty who strive daily to improve their students. I also want to acknowledge my fellow classmates of seminar five whose ideas and insights I continue to appreciate. Finally, a large thank you to my wife Anna for her love and support, and to my daughters, Julia and Charlotte, for allowing me the time necessary to reach the finish line.

Illustrations

Figure 1. The String of Pearls.....	12
Figure 2. The Nine Dash	13
Figure 3. The McMahon Line	26

Introduction

The emergence of China and its quest to assert itself in the Pacific has created a strategic dilemma for the United States. Despite proclamation of an Asian Pivot in 2013, the continuation of threats in Europe and the Middle East has frustrated American efforts. Sequestration placed additional limitations on the US military to effectively support this policy. Within this constrained environment, one potential solution raised is to encourage India as a counter-balance to China. This resolution would attempt to either balance China or at least force it to divert resources from its primary objectives in the Pacific, allowing the United States to use an economy of force until conditions improve to reestablish a pivot.

When considering India's potential as a counter-weight, it is necessary to evaluate whether its worldview aligns with that of the United States and if its foreign relations towards China supports an adversarial role. As a competing Asian economic power, the measure of India's economy and what effect China may have on it is necessary. Furthermore, is it secure enough to confront its neighbor? Finally, any conclusions require a review of India's military vis-a-vis China.

While an important component of the regional landscape of South Asia, an analysis of the India-Pakistan relationship in detail will not be possible because of monograph limitations. Mentions of Pakistan will reflect broad assumptions that are familiar to most readers of its attitude towards India. This monograph also relies heavily on historical and traditional views of India that have remained relatively stable over the last five decades. While the impact of India's most recent government, and Prime Minister Narendra Modi, may affect India's immediate political climate, the characteristics of parliamentary democracy ensure that anticipating what long-term effects current policies may have is difficult. Thus, the focus is on themes and policies which have remained relatively constant or become cyclical in India's affairs.

Given the research findings, India is not able to act as a counter-weight to China. While India's present status is either reluctant to support US goals or unable to provide the capabilities necessary, the conclusion presents steps to alter this determination through proposed recommendations. These recommendations are based on the understanding gained of India from its political, economic, and military outlook. These proposals will require patience, sensitivity to India's cultural and historical concerns and may take years before establishing noticeable progress. Put simply, military assistance alone will not produce the desired results, an approach which requires the diplomatic and economic will of the United States is essential.

India's View of the World

India's religious culture, colonial heritage, political policy during the Cold War, and the legacy of its domestic politicians shape its worldview. These events have led to national interests of primacy of sovereignty, equality of nations, and peaceful co-existence. As such, it treats others as it expects to be treated and seeks to intervene globally under the auspices of the United Nations (UN). In the UN, it believes it has a responsibility to assist others which are not as capable as India. This multilateral approach to interaction with others spills over into military and economic fields as well. It is due to India's preferences towards cooperation and equality that enticing it to act as a restraint against the rise of China will be difficult.

In some respects, India mirrors the ideals of the young, freshly independent United States. Senior Global Challenges Fellow at the Global Public Policy Institute, Happymon Jacob, describes India as "see[ing] itself more as an idea than as a territorial land."¹ India believes its power rests with its morals, ethics, and values. It hopes to inspire other nations through its example and become a leader based on its soft diplomatic power rather than military strength.

¹ Happymon Jacob, "Evolution and Practices of the Indian Notion of Sovereignty" in *China, India, and the Future of International Society*, ed. Jamie Gaskarth (London: Rowman and Littlefield International, 2015), 20.

This idea resembles the declaration of colonist John Winthrop, who hoped that Massachusetts Bay Colony's Puritan values might act as a beacon, "a city upon a hill, the eyes of all people are upon us."² Religion influencing Winthrop's values would not seem alien to New Delhi today, where its Hindu majority populace influences its own worldview.

India strongly holds the values of equality and fairness which influence its foreign policy. For India, this means that sovereignty is closely associated with equality for all nations. Recognition as an equal is paramount in India's worldview. Certain policy issues, such as Kashmir, are highly emotional for India, which fears stronger powers negating its interests. Foreign nations can mollify these fears by recognizing Indian interests and incorporating them in negotiations fairly (validating India as an equal), and making India reluctant to pursue its goals militarily. India's sovereignty and the right to pursue its affairs without interference are important, with territorial gains being secondary.³

India's concerns with sovereignty closely align with China. Due to its colonial past, India remains suspect of any agent wishing to interfere or place constraints on its affairs. Whether its economy or military give India influence or not, RAND analyst George Tanham believes that "recognition and validation [by others] is equal to actually having power."⁴ Therefore, the United States or China can win immense goodwill merely by acknowledging Indian concerns as valid, even if India wields diminished influence to achieve them.

An example of the strength that sovereignty plays in India's world affairs is its nuclear program. India initially refused, and continues today, to sign the Nuclear Non-Proliferation Treaty (NPT) despite its pacifist outlook and lack of an existential threat. While engaging in conflict with China and Pakistan previously, India developed its nuclear arsenal as a shield

² Independence Hall Association, "Massachusetts Bay — "The City Upon a Hill," USHistory.org, accessed November 30, 2017, <http://www.ushistory.org/us/3c.asp>.

³ Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 21.

⁴ Ibid., 20.

against Soviet and US aggression. Pakistan, while a nuclear power today, did not officially develop its weapons until 1998, well after India's first tests in 1974. Pakistan also proved not much of a conventional threat because India deterred or defeated it in three previous conflicts. So why would India refuse its signature when a nuclear capability was not necessary for its defense at the time?

The answer lies with the right of sovereignty. India does not view the NPT as a means of promoting peace and stability but as a method of limiting sovereignty by the United Nations Security Council's permanent five. India sees a world of haves and have-nots, creating negative reactions based on its perceptions of equality (exacerbated by the fact that four of the five nations are European powers). India is also concerned that the NPT is non-universal. It appears meaningless because the original nuclear powers have no intention of limiting or destroying their own arsenals. This has furthered their feelings of inequality. India did not become responsive to nuclear negotiations until after the United States acknowledged India's sovereignty regarding its nuclear program, for "what mattered to India . . . was not material benefits . . . but the symbolic recognition of being an equal with the United States."⁵

India has felt threatened by other attempts to curb its sovereignty leading to antagonism with the west. This includes the United States attempting to influence Indian economic policy by recommending currency devaluation to offset economic regressions in the early 1990s and enforcing agricultural policies India had agreed to in return for assistance.⁶ Such actions have led it to not accept aid in which nations attach preconditions or strings, being highly "sensitive about [foreign] nations discussing its internal problems."⁷

⁵ Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 21-22.

⁶ Harry Harding, "The Evolution of the Strategic Triangle: China, India, and the United States." in *The India-China Relationship: What the United States Needs to Know*, ed. Francine Frankel and Harry Harding (New York: Columbia University Press, 2004), 329.

⁷ Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 21-22.

India has leveraged its concerns surrounding sovereignty into a leadership role of the Non-Aligned Movement (NAM). The NAM grew out of the early Cold War and the concerns of lesser powers pressured to choose sides between the US - western European alliance and the Soviet Union. India's first Prime Minister Jawaharlal Nehru instead advocated a policy of neutrality and invited other nations to follow (once again, seeking to demonstrate India's moralism as an example to the world). Instead, India would accept no alliances and seek to maintain good relations with all nations. This was in line with Nehru's declaration of the "Five Principals of Peaceful Coexistence."⁸

The Five Principals of Peaceful Coexistence grew out of the Indian-Chinese Panchsheel Treaty of 1954. In it, the two nations sought to codify their relationship and express how each would attempt to pursue relations with others as well. The principals outlined were:

1. Mutual respect for each other's territorial integrity and sovereignty.
2. Mutual non-aggression.
3. Mutual non-interference in each other's internal affairs.
4. Equality and cooperation for mutual benefit.
5. Peaceful co-existence.

The principals sought to refrain from aggression in deciding conflicts, recognize national independence, and emphasize non-interference in the internal affairs of other nations. Nehru embodied the spirit of the five principals when he proclaimed, "India [stands] as a voice of those [who] did not want to be trapped in Bloc Competition."⁹

Strategic autonomy was an additional benefit India sought to capitalize on with the goodwill that this policy generated among most of its neighbors. This policy sought to ensure India's safety, security, and freedoms without holding it hostage to the whims of alliance partners

⁸ H.D.P Envall and Ian Hall, "Are India and Japan Potential Members of the Great Power Club?" in *Asia-Pacific Security: An Introduction*, ed. Joanne Wallis and Andrew Carr (Washington, DC: Georgetown University Press, 2006), 64.

⁹ Christopher L Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* The Land Warfare Papers No 110 (Arlington, VA: Association of the US Army Institute of Land Warfare, October 2016), 3.

or strategic sponsors.¹⁰ A multipolar world best serves India's interests, in which multiple nations balance or seek to offset each other. This allows India to maintain friendly relations with a multitude of countries without needing to pick a side or risk offending others over a singular issue when they may have numerous views in common elsewhere. India considers it crucial that this multipolar world must include India as a respected voice.¹¹

This stance did not sit well with the United States, with Secretary of State John Dulles labeling the Non-Aligned Movement as immoral when practiced in the face of Soviet communism.¹² This distressed Indian officials as not only had a great power demeaned its movement and treated it as an unequal voice but because by referring to it as immoral it repudiated Nehru's attempts at being moralistic. This stance, as well as its early attempts at regulating India's policy stated above, would create divisions that were to last for decades between the two nations. Helping to explain India's aversion to choosing sides in the Cold War is the country's own reluctance to become a superpower in the twentieth century. Indian National Congress party leader Sonia Gandhi stated, "[Superpowers] evokes imagery of hegemony, aggression, power, politics, military might, of division and conflict." India instead, she stated, would seek to rely on the "power of values and ideas."¹³

Due to its stance on fostering goodwill and remaining neutral as much as possible, India favors multilateral agreements over bilateral ones. Relations amongst many nations help to offset the perception of favoritism or asking to choose between nations. The legacy of colonialism also plays a weariness in others gaining a significant role in determining its foreign policy, particularly nations of the West. As part of a group agreement, India sees the possibility of fostering stability

¹⁰ Steven Hoffman, "Perception and China Policy in India." in *The India-China Relationship: What the United States Needs to Know*, ed. Francine Frankel and Harry Harding (New York: Columbia University Press, 2004), 34.

¹¹ Hoffman, "Perception and China Policy in India," 33.

¹² Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 21.

¹³ *Ibid.*, 25.

as well as building wider consensus. Thus, it avoids security regimes and defense blocs, which in turn supports founding father Mahatma Gandhi's Ahimsa principal or preference towards non-violence.¹⁴

India is an active member of the United Nations because of its global inclusion and rule that all members receive a fair voice, at least in the General Assembly. India believes large multi-national organizations, such as the UN, allow it to "think beyond oneself," placing the principal welfare of the world over its own security.¹⁵ However, the global body disappoints India by failing to follow a reciprocation of this altruism, as China's actions demonstrate. India was one of the first non-socialist nations to recognize the Peoples Republic of China and advocate for its UN membership in 1950. In addition, India's votes in the deliberative body have sided with China more times than the United States.¹⁶ India, however, believes China has not shared this communal goodwill by actively lobbying against India receiving a permanent seat on the Security Council.¹⁷

Despite its multilateral approach to world affairs and the inequality inherent in permanent members having a veto, India believes a seat on the council is beneficial to the global community. India's seeking a seat is necessary for a responsible great power and as Manjeet Pardesi, senior lecturer at the University of Wellington, believes India wishes to "manage international relations through...global institutions." India has demonstrated its commitment to using its growing great power with responsibility. As of 2014, India is the third highest peacekeeping contributor and suffered the highest number of deaths supporting peacekeeping operations.¹⁸

¹⁴ Chris Ogden, "Great Power Aspiration and Indian Conceptions of International Society," in *China, India, and the Future of International Society*, ed. Jamie Gaskarth (London: Rowman and Littlefield International, 2015), 57-58.

¹⁵ Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 30.

¹⁶ Jeff Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century* (Lanham, MD: Lexington Books, 2014), 20 and 201.

¹⁷ Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?" 68.

¹⁸ Ogden, "Great Power Aspiration and Indian Conceptions of International Society," 62-64.

India specifies its preference for co-existence and dialogue in its constitution. Article IV paragraph 51 states:

Promotion of International Peace and Security. - The State shall endeavor to- (a) promote international peace and security; (b) maintain just and honorable relations between nations; (c) foster respect for international law and treaty obligations in the dealings of organized peoples with one another; and (d) encourage settlement of international disputes by arbitration.¹⁹

India's culture and domestic politics seek to respect others' sovereignty over the pursuit of its interests, even where there may be strong conflict.²⁰ The Indian National Congress Party reaffirmed its commitment to remaining non-interventionist in its "Non-Alignment 2.0 platform."²¹ The platform explains that while democracy is the best way forward, it will not actively promote its adoption by others, rather attracting them by acting as an example for others to follow.

India's outlook cherishes equality among nations co-existing peacefully and respecting one another's sovereignty. Its historic leadership of the Non-Aligned Movement means it is predisposed to remaining neutral and seeking to remain independent in the formation of its foreign policy and international relationships. Overcoming these qualities is problematic for the United States. India is likely to be suspicious of US motivations and concerned by US preference to confront China for a variety of reasons. These include the choices of losing independence in its foreign policy to honor its commitment to the US and the potential to violate the sovereignty of China by condemning or sanctioning its neighbor in support of US interests. Such actions diminish its preference for peaceful negotiation and dialogue, leading to an elevation in its bellicosity. India is also concerned with the appearance that the United States seeks to keep

¹⁹ Government of India, "The Constitution of India," Ministry of Law and Justice, accessed January 18, 2018, <http://lawmin.nic.in/olwing/coi/coi-english/coi-4March2016.pdf>, 24.

²⁰ Ian Hall, "Normative Power India?" in *China, India, and the Future of International Society*, ed. Jamie Gaskarth (London: Rowman and Littlefield International, 2015), 91.

²¹ *Ibid.*, 98.

China as a secondary power, leading India to question whether the United States will seek to curtail its own growth in the future.

Overcoming such hesitations requires a patient and passive approach by the United States. It should seek to emphasize common values in democratic norms and use of aggression as a last resort, preferring instead to mentor and develop indigenous representative governments which serve their people.

India's Foreign Relations

India's worldview influences the conduct of its foreign relations. Events such as the rise of what is referred to as militant Nehruvianism, the adoption of linking the Indian and Pacific oceans, and India's belief that it has a responsibility to act as regional leader impact India's policies as well.

As India enters the 21st Century, H.D.P Envall and Ian Hall, Asian studies researchers at Australian National University, believe it has three choices in respect to how it will act as a member of its regional as well as global community. One is to return to its historical preference of non-alignment, this time between a rising China and a status quo United States. Second is to choose a path of "Militant Nehruvianism," in which it seeks greater power and military alliances as part of a realist approach against China. Finally, the choice of hedging in order to not alienate China, which requires distancing itself from a United States that it does not trust to remain by its side or to provide readily available help due to distance.²²

Militant Nehruvianism is an emerging concept which India has shown an interest in while formulating its "Look East Policy." The Look East policy consists of choices which act on India's strengths and mitigate its potential weaknesses. It includes economic liberalization and membership within global markets. It seeks to build strength through multi-lateral partnerships

²² Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?" 65.

with smaller Asian powers such as Vietnam, The Philippines, Burma, Singapore, Thailand, and Cambodia. These partnerships act as a counterweight to China but without dependence on an unreliable or compromised United States. Carnegie India director C. Raja Mohan believes New Delhi is concerned that if the United States' unpredictable relations with China should turn favorable, it could leave India behind.²³

The autonomy this policy provides India means it does not need to overlook its concerns with Pakistan to satisfy a major powers' own strategic outlook. It also augments India's nuclear capability, providing security guarantees it otherwise lacks from abstaining from military alliances, its pre-modernized army, and lagging economy.²⁴

In addition to pursuing a policy of militant Nehruvianism, India has sought to gradually seek a wider role within Asian affairs, both through its military and its definition of the geopolitical map of Asia. Asian defense researchers Yang Yi and Zhao Qinghai state that National Maritime Foundation executive director CAPT (Dr.) Gurpreet Khurana popularized the modern idea of an "Indo-Pacific" in his *Security of Sea Lines: Prospects for India-Japanese Cooperation*.²⁵ This term has become a geopolitical tool to denote a strategic link between India and the western Pacific. It seeks to show the impact that each has on the other and the importance of India in what China considers its historical sphere of influence. Chinese academics believe American scholars coined the term to curtail their ambitions, while Indian experts trace its creation to Australia, advanced by the United States, with acceptance by Japan. These arguments demonstrate the political sensitivity of this definition.²⁶

²³ Yang Yi and Zhao Qinghai, "Indo-Pacific Implications for China" in *Maritime Security in the Indo-Pacific: Perspectives from China, India, and the United States*, ed. Mohan Malik (Lanham, MD: Rowman and Littlefield, 2014), 76.

²⁴ Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?," 65.

²⁵ Yi and Qinghai, "Indo-Pacific Implications for China," 61.

²⁶ *Ibid.*, 61-63.

The term Indo-Pacific defines the borders of the region to boost India's role, interests, strategic concerns, and needs in the Pacific to counter China.²⁷ The definition also seeks to broadly define a geographic position of importance to the United States, one which encompasses seven of the ten largest standing armies, five nuclear powers, and the world's largest and most advanced navies. Yi and Qin Hai state, "the concept obviously targets China," seeking to enhance India's role while diluting China's.²⁸

For India, there are benefits to acceptance of the idea of an "Indo-Pacific." For Indian scholars, it endorses India's historic claims on the Indian Ocean and access to the Pacific. It also supports its national interest across a wider region. Secretary of External Affairs Shyam Saran voiced his support, believing the concept of an Indo-Pacific will "reflect India's role as the center of political and economic space."²⁹ India uses this idea to define its projected sphere of influence, including periphery regions such as the Persian Gulf and East Africa. A potential conflict with US interests arises in that the United States does not include Africa in its definition of Indo-Pacific.³⁰

China has attempted a geographic interpretation of its own which seeks to define a sphere of influence enhancing its own strategic position known as the "String of Pearls."³¹ Similar in military importance to the "Nine Dash Line" in the South China Sea, both strategic lines are based on China's assumption that its most likely threats are to come from the sea.³² China has

²⁷ Yi and Qin Hai, "Indo-Pacific Implications for China," 65.

²⁸ Ibid., 70.

²⁹ Ibid., 69.

³⁰ Sureesh Mehta, "Interests and Roles in the Indo-Pacific: An Indian Perspective," in *Maritime Security in the Indo-Pacific: Perspectives from China, India, and the United States*, ed. Mohan Malik (Lanham, MD: Rowman and Littlefield, 2014), 109.

³¹ The String of Pearls is a network of alliances, military bases, and Chinese owned commercial interests which surround the India Ocean and provide strategic linkages between China and the east coast of Africa.

³² The Nine Dash Line is a similar network system located in the South China sea, extending roughly from Taiwan, around the Spratley Islands chain, and curving back towards Hainan Island, skirting the Vietnamese coastline.

sought basing in Myanmar, Bangladesh, Sri Lanka, and Pakistan to ring the ocean and surround its potential competitor in South Asia. This places China in conflict with the United States as it seeks to expand its sphere of influence. India is willing to benefit from both nation's worries to strengthen relationships but accepts that the region is large enough for both China and itself.

China is likely to reinforce such cooperation to exclude the United States.



Figure 1. The String of Pearls. *The World Factbook* 2017, accessed January 18, 2018, https://www.cia.gov/library/publications/the-world-factbook/graphics/ref_maps/physical/pdf/world.pdf.

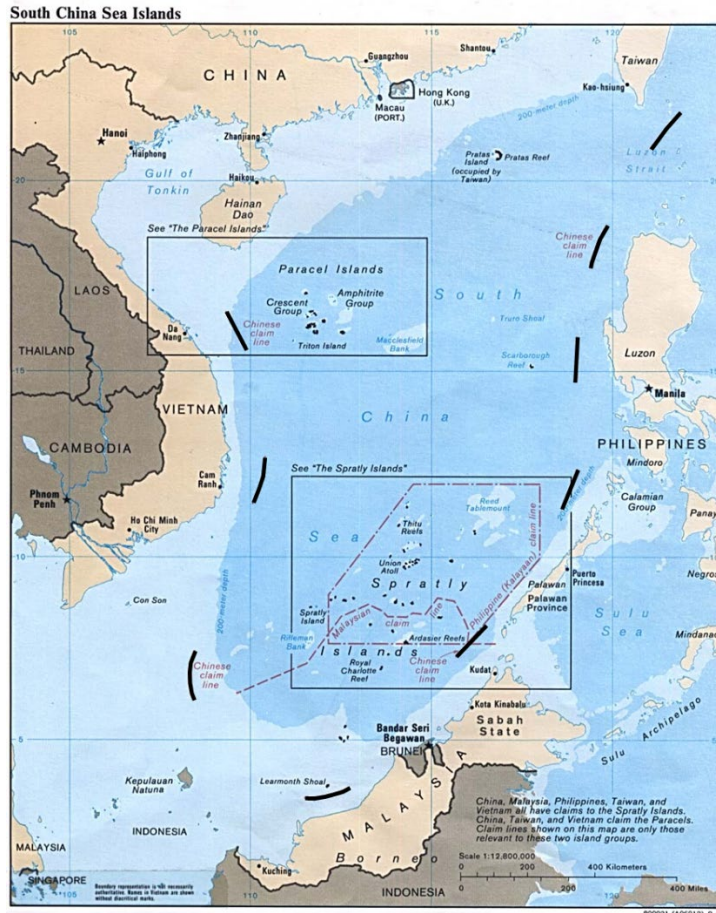


Figure 2. The Nine-Dash Line. *South China Sea Islands*, accessed January 18, 2018, https://legacy.lib.utexas.edu/maps/middle_east_and_asia/schina_sea_88.jpg.

China recognizes the potential for conflict in India but publicly seeks peaceful coexistence. Zhao Gancheng, senior fellow and director of South Asia Studies at Shanghai Institutes for International Studies, believes that China's relationship will resemble the United States-United Kingdom following the Second World War, in which a peaceful transition of power occurred in the Atlantic.³³ In such an occurrence, China may relinquish the Indian Ocean to a friendly India to seek dominance in the South China Sea. While such a move would reduce Chinese influence abroad, it would attain China's goal of primacy in the Pacific. This is an acceptable outcome to China since it views the two regions as separate from one another and does

³³ Zhao Gancheng, "China-India Political Relations: Implications and Features," in *China India Relations: Review and Analysis (volume 1)*, ed. Ye Hailin, trans. Chen Mirong (Reading, England: Paths International Ltd, 2014), 92.

not view India as a Pacific power. To increase Indian fears and increase competition affecting economic trade would only undercut Chinese growth. However, India should remain wary of Chinese intentions. Gancheng has made an argument that some Chinese officials believe China should focus on the Indian Ocean to build capacity for the Pacific Ocean. This is due to the advantages over India and lack of competition from others. An Indian focus reduces conflict from the pivot of the United States towards the Pacific and supports China's economic interests. Once achieving parity with the United States, China will be able to increase its presence in the Pacific.

The arena of international relationships is where the United States is likely to have an advantage in persuading India to act as a counter-balance to China. Many of India's policy objectives align with United States objectives. China will need to address the influence India wields in the region, pulling resources China would prefer to apply in the eastern Pacific. First, the United States should recognize that India has a role in the Pacific. This diminishes the influence China has over its smaller South East Asian neighbors and forces it to contend with two large powers on both sides of the Pacific. The United States should develop and strengthen the multilateral relationships between Indian and the SE Asian nations. This encouragement to act as part of a group rather than unilaterally reinforces India's preferences for its relationships, while diminishing its fears that the US would attempt to dictate Indian policy. Multi-lateral settings serve two additional purposes. They satisfy India's desire to become a regional power, solidifying ties with SE Asia. It also reduces India's prospects for hedging, since it will feel sheltered in the security of its partners against China should the United States begin to recede in the Pacific or become more isolationist.

India's Economy

Much like China, India's economic growth plays a large influence in its domestic and international affairs. Also, like China, India will seek to protect its economy and sustain its

growth to the exclusion of other considerations. Due to its population of roughly 1.3 billion, India sees the stability of its economy as essential to domestic peace and a pre-requisite for its aspirations to become a respected member of the international community. Any provocations or policies which threaten growth and stability are unacceptable to India.

India's priorities domestically and in its international relations concern its economy. Since the end of colonialism in the 1940s, two principles have remained relevant to India, its moral strength and its economy. To understand India and how it interacts with its neighbors and with great powers, we must understand how decisions and alliances affect its economy. India is in a special position as one of the major nations described as part of the rise of Asia. The other nation is China. This parallel rise of the two neighbors presents India with an opportunity to be part of a healthy competition or an antagonist against China as both seek sustained economic growth and raise their populations out of poverty.

Despite being the largest democracy in the world, India's economy is not strong. Recent global economic turmoil and the after-effects of the 2008 recession have seen India slip from being the third largest economy in 2012, back to seventh overall.³⁴ In addition, India's national deficit runs at roughly eighty percent of its Gross Domestic Product.³⁵ This dynamic elasticity results from a majority of India's economy coming from exporting raw materials and intermediate products which produce lower profit margins than finished goods.³⁶ Due to its vulnerability to the volatility of world markets, India has sought to diversify its economy, enact economic liberalization to attract investment, and enact trade agreements which strengthen and enlarge those sectors it believes have a competitive advantage. The ability to resolve its fiscal

³⁴ Yi and Qin Hai, "Indo-Pacific Implications for China," 66; Alex Gray, "The worlds ten biggest economies in 2017," World Economic Forum, March 9, 2017, <https://www.weforum.org/agenda/2017/03/worlds-biggest-economies-in-2017/>.

³⁵ T. N. Srinivasan, "Economic Reforms and Global Integration," in *The India-China Relationship: What the United States Needs to Know*, ed. Francine Frankel and Harry Harding (New York: Columbia University Press, 2004), 233.

³⁶ Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century*, 209.

affairs has become India's priority, ensuring that economic considerations play an influential role in its relationship with China.³⁷

In developing and protecting its economy, India has demonstrated that self-sufficiency is paramount. This decision aligns with its international policy of non-alignment and strategic autonomy. To be beholden to anyone or depend on others for their own success threatens the ability of India to become a recognized power. To not rely on others is the only way to not threaten progress and ensure national security. This philosophy has migrated into economic policy as well. This leads to extremes such as the remanufacturing of imported technology in India. India has traditionally sought to strengthen ties with the Indian diaspora, a populace of roughly twenty-five million, rather than depend on foreign aid packages.³⁸

Due to the role of colonialism in the formation of its economy, India leaned towards socialist policies following its independence to provide land redistribution and nationalize its industries. As a result of India's socialist-leaning economy, the United States attached pre-requisites to economic aid to mitigate communist influence (fearing that continued socialist policies coupled with a non-aligned foreign policy would place India on the road to communism). The USSR, however, provided aid without pre-conditions. Concerned with establishing its sovereignty following independence, India refused US aid while accepting the USSR's. Thus, by utilizing a soft approach, the USSR reinforced US fears by increasing its economic relationship with India.

With the fall of the USSR and the loss of a major trade partner, the stagnant economy forced India to reevaluate its economic policies. One approach was economic liberalism. Advocates pointed to the success of smaller Asian countries, known as the "Asian Tigers," as evidence of the robust growth that was possible. Opponents, however, dismissed these examples

³⁷ Srinivasan, "Economic Reforms and Global Integration," 233.

³⁸ Jacob, "Evolution and Practices of the Indian Notion of Sovereignty," 23-24.

because they did not believe their economies were similar based on scale. It was not until the success of China that this assumption proved false.³⁹

China's staggering financial growth in the late twentieth century provided an economy of comparable scale Indian economists could evaluate their economic strategy against. Indians began to begrudgingly admit their admiration for China's rise, as Indian political advisor Amitabh Mattoo explained, "[Indians perceived China] as a kind of role model . . . [for its] ability to take hard internal decisions as well as face up to pressure from the west."⁴⁰ But China had a two-decade head start on economic liberalization, beginning in the late 1970s. China's growing economic power, coupled with its modernizing military began to sound alarm bells within India's government. The fear of a Chinese juggernaut inspired liberalization more than anything else.⁴¹

During the beginning of China's liberalization, Deng Xiaoping proclaimed, "If China and India are not developed, there will be no Asian Century."⁴² The theory that India's and China's fates are tied together is not lost on the Indian government. The reality of the needed changes to secure growth included two related facts; India would need to seek a secure and stable environment, and that a significant step in realizing stability would be its relationship with China.

The primary element India views as crucial to the growth of its economy is stability. Stable markets and stable growth sustained by stable relationships with its neighbors allow India to focus on diversifying and expanding its economy in a way suitable for the nation and its people. India views domestic unrest as a realistic threat to its ability to govern effectively. While India ranked tenth in the world by GDP in 2012, this output was only eleven percent of the United States and twenty-two percent of China.⁴³ When measuring output against population

³⁹ Srinivasan, "Economic Reforms and Global Integration," 232.

⁴⁰ Hoffman, "Perception and China Policy in India," 41.

⁴¹ Srinivasan, "Economic Reforms and Global Integration," 232.

⁴² Gancheng, "China-India Political Relations: Implications and Features," 94.

⁴³ Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?" 64.

size, the discrepancies become starker. While India's economy is roughly the size of Canada's, its population is nearly thirty times as much.⁴⁴ The result is a population in which thirty-three percent live below the poverty line.

Due to India's policy of self-reliance during the non-aligned movement, much of its economy was based on producing for domestic demand for goods and services. While this ensured a stable economy, it limited its scale. When economic liberalization became necessary with the fall of the Soviet Union, India's economic size could not compete with those of other nations. Even in this new environment, India views stability as key to develop their industry at home to provide larger access to markets abroad. A chaotic, volatile market would lead to the bankruptcy of these nurturing companies and hamper India's plan for managed growth. To ensure stability, India has adopted policies seeking to maintain the status quo. National Maritime Foundation Chairman Admiral (Ret.) Sureesh Mehta describes this method as creating a "stabilizing influence caused by non-interfering, non-interventionist, consensus building approach." These policies lead to a strategic goal of "sustained holistic development in a stable and secure environment."⁴⁵ Such a policy in terms of its relationship with China means India will pursue accommodation over a zero-sum approach to avoid competing interests becoming issues of conflict.

To ensure stability, India's relationship with China is vital. In 2000, bilateral trade between the two nations stood at roughly \$3 billion with a rate of growth approaching fifty percent.⁴⁶ In 2007, China displaced the United States as India's biggest trading partner with both sides receiving a relatively equal share of goods. In 2010, this trade stood at roughly \$60 billion

⁴⁴ Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?" 67.

⁴⁵ Mehta, "Interests and Roles in the Indo-Pacific: An Indian Perspective," 111.

⁴⁶ Srinivasan, "Economic Reforms and Global Integration," 254.

but China held a \$16 billion surplus.⁴⁷ This trade deficit grew to \$29 billion two years later. A potential explanation for this increasing discrepancy is China's focus on manufacturing goods while India's provides services and information technology.⁴⁸ Simply put, India is not producing what China needs while China exports finished goods which receive a higher profit margin. India has also accused China of dumping consumer goods into their country to create price drops, disrupting their economy. This increased trade may have softened relations since the 1962 border clashes, but the trade deficit has led to another cause of potential competition and tension.

Exacerbating the situation is that while China remains a major trading partner of India, the same cannot be said for China. India is only China's ninth largest trading partner with one-tenth the trading value of the Chinese-US relationship. China has abused this advantage and the knowledge India seeks stable markets by treating it with less respect than other trading partners. An example is India's IT and pharmaceutical sectors, an area in which India has a marked lead. To avoid decreasing their trade imbalance, China has taken steps to ensure Indian companies remain frozen out of Chinese markets. Unwilling to retaliate or seek unilateral reprisals to deter such behavior, India has little choice but to seek arbitration in the international sphere. The result is charges of trade barriers, with India lodging more complaints against China in the World Trade Organization than any other nation.⁴⁹

The influence that China's economy plays in financial organizations has negative consequences for India. In March of 2009, India sought a \$2.9 billion loan plan from the Asian Development Bank (ADB). All board members supported this loan, with the sole exception of China. Once again preying upon India's desire for stability and friendship, China sought to postpone the loan because of earmarks for projects in Arunachal Pradesh, a territory claimed by

⁴⁷ Ranvijay Kumar Sinha and Sun Xianpu, "The BRICs Mechanism and China-India Relations," in *China India Relations: Review and Analysis (volume 1)*, ed. Ye Hailin, trans. Chen Mirong (Reading, England: Paths International Ltd, 2014), 21.

⁴⁸ Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century*, 208.

⁴⁹ *Ibid.*, 210-211.

China. Outraged by its actions, India threatened to drop the loan application before dropping the concerned projects from its request. After negotiation with other board members, including India's nemesis Pakistan, which "feared [setting] precedent that would deny ADB funds to disputed areas", China relented and agreed to support the package.⁵⁰

India's relationship with trade organizations raises the question of how it interacts in trade agreements. With India and China both rising, the two nations have come to view each other as competitors to expand their own markets. China sees India as a competitor not just in Asia but in Africa, the middle east, and Latin America due to its position on maritime trade lanes. Yunnan Academy South Asian Studies research fellow Yang Siling observes that China has attempted to label India as pressuring other nations and "leaving negative impressions in Africa." Meanwhile, India's goal is to "contain China and improve its own international status and influence."⁵¹ This antagonistic behavior means that free trade agreements (FTA) have tended to fall on geopolitical divides, with India signing agreements with Japan, Korea, and Australia, excluding China. India has remained unresponsive to China's request for a free trade agreement. Anwarul Hoda of the Indian Council for Research on International Economic Relations claims this is due to, "China's competitive advantages and India's poor transport infrastructure." India views an FTA with China as a threat to its domestic economy, its leaders' primary political concern.⁵²

Increasing industrialization has increased competition in the energy sector as well. Both nations require increased energy to fuel continual growth. Until 2008, China was the Gulf Coast Council's (GCC) largest trade partner, until replaced by India which imports nearly seventy

⁵⁰ Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century*, 202.

⁵¹ Yang Siling, "Participation in FTAs which Comprise China and India," in *China India Relations: Review and Analysis (volume 1)*, ed. Ye Hailin, trans. Chen Mirong (Reading, England: Paths International Ltd, 2014), 28 and 30.

⁵² Sinha and Xianpu, "The BRICs Mechanism and China-India Relations," 22.

percent of its oil from the GCC.⁵³ Seeking to conclude comparable or more favorable FTAs with the GCC to maintain access to petroleum production has become one more area of competition between China and India.

China has sought ways to avoid confrontation in trade through the promotion of the Brazil, Russia, India, China, South Africa (BRICS) association. China has sought to persuade India to cooperate economically with it by emphasizing western mistreatment of both nations as well as other BRICS members. China sees BRICS as a means of friendly interaction and method of building trust, working to exclude the United States while increasing ties with nations friendly to itself. India's inclusion provides a means to steer its economic policy while rebuffing the United States.

Attempts at mutually benefiting industries have also eroded Indian confidence. Information technology remains a valuable interest to both parties, with China acceding to cooperate on protecting India's intellectual property rights. With India's advantage in English proficiency, the dominant language in the technology industry, and China's ability to produce necessary hardware to support India's software, the potential for joint ventures is strong. China has increased the number of work visas for Indian tech workers so it can learn from India.⁵⁴ Alas, China instituted protectionist policies for its software companies while India has embraced Chinese hardware in its technology.⁵⁵ Adding insult to injury are national security concerns as Chinese investments and trade increases in India's telecommunications sector and national infrastructure.⁵⁶

⁵³ Siling, "Participation in FTAs which Comprise China and India," 35.

⁵⁴ James Clad, "Convergent Chinese and Indian Perspectives on the Global Order," in *The India-China Relationship: What the United States Needs to Know* ed. Francine Frankel and Harry Harding (New York: Columbia University Press, 2004), 277-278.

⁵⁵ Mark W. Frazier, "Quiet Competition and the Future of Sino-Indian Relations," in *The India-China Relationship: What the United States Needs to Know*, ed. Francine Frankel and Harry Harding (New York: Columbia University Press, 2004), 308.

⁵⁶ Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century*, 211.

Areas of cooperation do exist if India and China truly seek to encourage their mutual growth. One area of shared concern is trans-national interventionist policies which may limit both nations' economic growth. Both have acted as allies in seeking to limit the introduction of labor standards and environmental concerns into the World Trade Organization (WTO). India and China maintain similar positions in the WTO as developing nations, experiencing geographic industrial relocations, loosening rules on regional development, and de-centralizing industry. Both also share resistance in humanitarian intervention and non-government organizations concerns on their industries' impact on human rights, protection of minorities, and environmental impacts.⁵⁷ They remain partners in seeking stability in energy-producing regions while developing their own energy reserves and regional pipelines. Further unity is their evolving stance on climate change, resulting in the mutual ratification of the Paris Climate Accords and their continued adherence despite the withdrawal of the United States.

India also seeks to cooperate with China to expand multilateral trade organizations. It has become a recent member of the Shanghai Cooperation Organization to retain friendly competition with China. To become a regional leader, India has initiated comprehensive economic partnerships such as its own Indian Ocean Rim Association, in which China and the United States are dialogue partners. In accordance with its strategic policy of recognizing an Indo-Pacific region, India also began membership discussions during the Trans-Pacific Partnership negotiations.⁵⁸ Similar treaties and organizations align with India's desire for multilateral agreements over bilateral partnerships. The mutual membership of both China and the United States allows India to avoid choosing between the two nations in the development of its own economy.

⁵⁷ Srinivasan, "Economic Reforms and Global Integration," 256; Clad, "Convergent Chinese and Indian Perspectives on the Global Order," 269, 285.

⁵⁸ Mehta, "Interests and Roles in the Indo-Pacific: An Indian Perspective," 110.

India faces a decision in the coming decades whether support of China will be beneficial to its economy or if China's rise will threaten its own growth. India's predominant concern is avoiding stagnant growth in relation to a surging China. India is concerned that its current economic relations with the United States are not enough to sustain long-term cooperation.⁵⁹ Seeking to sustain its economy, India will seek out Chinese trade. This cooperation, however, may cause China's anti-American sentiments to influence India's ability to access American markets leading to weakened economic growth and increasing Indian dependence on China. To break this cycle, India has created its "Look East" policy. This strategy seeks a multiplicity of agreements and alliances with smaller nations in Southern Asia to retain the strategic autonomy it enjoyed under its Nehruvian non-alignment policy. This quiet competition ensures India's own economic growth and security while not threatening China directly.

Both China and India have evolved so that they view economic relations as separate from their political and military concerns. This outlook means both nations can negotiate while setting aside their strategic differences to forge closer bonds. This is disconcerting for the United States if it seeks India to act as a counterweight to Chinese influence, as economic ties often lead to a softening of tension in other spheres.

If foreign affairs are the sphere in which the United States is most able to influence and encourage, India's economy is where it will face its most resistance. The greatest obstacle to seeking India as a counterbalance to China is that India inexorably sees its success as tied to that of its neighbor. China's ability to influence and stymie India's economy is large. These include threatening to boycott Indian goods, eliminating partnerships and discounted production in the technology sector vital to India's economy, and the potential China has to restrict India's maritime commercial lines through the South China Sea. The expectation for ties of any economic aid the United States sends India to goals or benchmarks is a hindrance to US efforts to

⁵⁹ Frazier, "Quiet Competition and the Future of Sino-Indian Relations," 315.

supplant China. India will likely see any riders on aid as a challenge to its sovereignty and decline assistance rather than make changes to its market system. India is also wary of organizations such as the WTO and IMF which also require such changes. Another concern to India is the US history of fluctuating aid to Pakistan. India would prefer a policy of hedging with China than the possibility of losing aid or seeing a decline in trade once the United States considers it no longer geo-strategically vital.

If the United States wants to improve its chances of influencing India, it must take actions which reassure and support India's preferred methods of interaction. It should continue to act as a dialogue partner in the Indian Ocean Rim Association since the inclusion of China means India will avoid making choices. The United States should seek to help India's long-term growth through the inclusion of multilateral trade agreements. While tabling the Trans-Pacific Partnership for now, the United States can seek out other means to support regional trade. The United States should also offer legal consultation and support to India in economic trade law. This support will help India protect its intellectual property rights as it trades with China and help to secure a more favorable balance of trade in its negotiations. The United States can also utilize its influence in the WTO and IMF to mitigate Indian concerns by allowing it to secure loans with limited pre-conditions, replacing the condition free aid offered by China. Finally, the United States should take measures to increase India's domestic technology hardware sector. This step would allow India to produce products on which its software runs at competing prices to increase the standard of living for its population. A strong hardware manufacturing sector would also serve US interests by allowing US companies to produce engineered goods in a less adversarial nation, thus avoiding the potential for China to compromise or steal US technology.

India's Military Considerations

If the United States is to consider India as a counter-weight to China, it must pay attention not only to its international relationships and economic considerations but to India's

military potential as well. A military alliance provides two benefits for the United States. One is increased capabilities in the Indo-Pacific. This includes the potential for basing rights, the ability for India to respond while the United States organizes and deploys its military, and the increased strength that comes from combined multinational forces. The second is the ability for the United States to benefit from India's presence in the region to support an economy of force. The availability of India to act in support of US interests allows the United States to focus its resources on the eastern and northern Pacific or to provide timely response to crisis in Europe. Before the United States can assume these benefits, it must consider two questions: What role does India want its military to play in the region? Does India possess the necessary capability to fill the role envisaged for it? These questions are particularly important regarding India's relationship with China specifically. The answers to these questions are critical, getting the assessment of India's intentions wrong could lead to the "United States position[ing] insufficient forces in the Indo-Pacific Region."⁶⁰

Senior research fellow at the Center for China-US Relations of the China Institute of International Studies, Xuecheng Liu has observed that the Sino-Indian boundary issue is the "unresolved dispute at the core of relations" between the two nations.⁶¹ Indeed the border dispute has been a concern since India's independence from Britain and has played a role in relations between the two nations for over half a century. Even today the border has not been fully demarcated and no boundary treaty mutually accepted.

The dispute's origins lie in the cultural and historical traditions of both India and China. Both nations have a relationship and civilization that stretches back almost twenty centuries. The scale of history has meant that the influence and power each region has held over the other, as

⁶⁰ Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?*, 2.

⁶¹ Xuecheng Liu, *The Sino-Indian Border Dispute and Sino-Indian Relations* (Lanham, MD: University Press of America, Inc., 1994), 1.

well as the extent of their control, has waxed and waned multiple times. The long-written records of both nations cataloging these changes have created tensions in the development of an agreed border, for both nations are able to cite positions in history favorable to their country. Irony lies in that the modern de facto border is the McMahon line, a result of past British colonial control of India and Tibet.⁶²

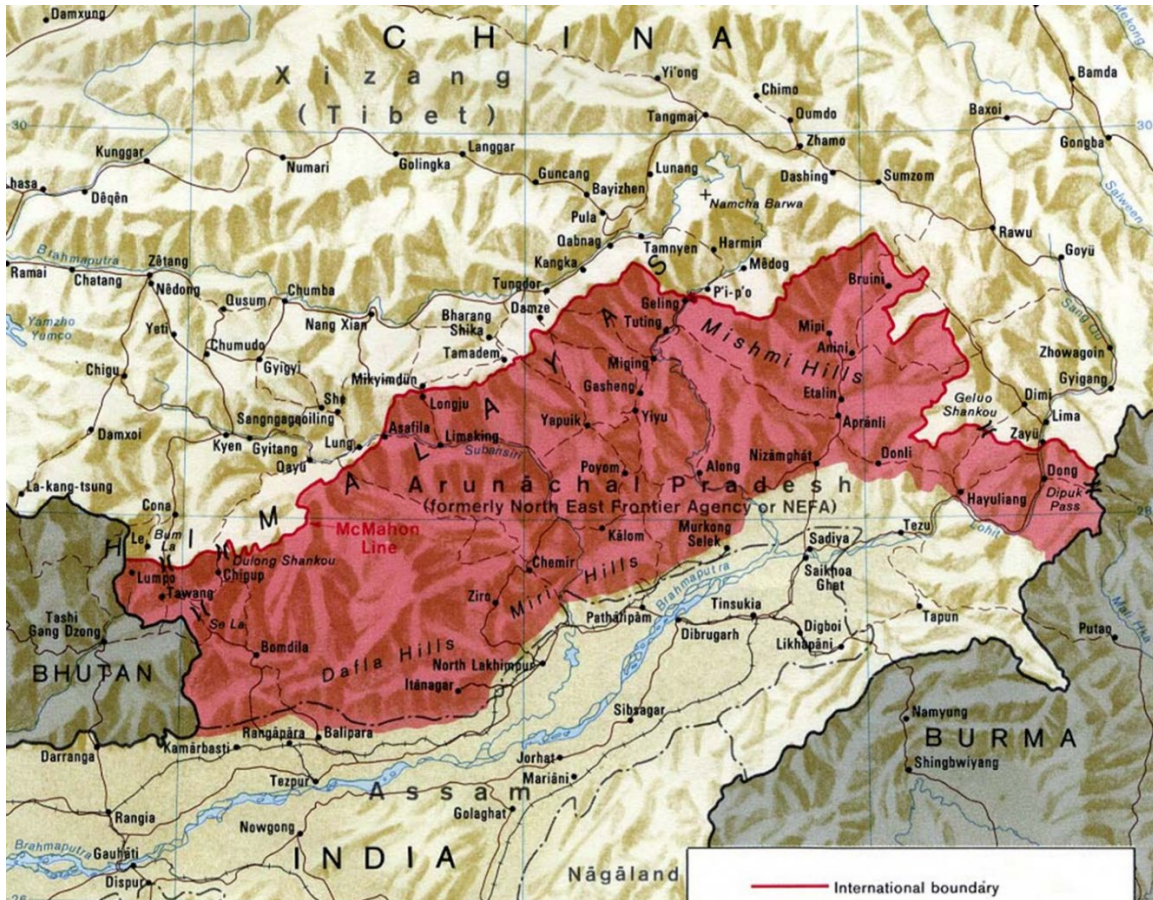


Figure 3. The McMahon Line. *China-India Border: Eastern Sector*, accessed January 18, 2018, https://legacy.lib.utexas.edu/maps/middle_east_and_asia/china_india_e_border_88.jpg.

The McMahon line is the agreed boundary settled in 1914 between what was then free Tibet and the British Raj. China has disputed this boundary since the 1950s, while India argues that China made an alleged agreement recognizing the McMahon line in 1954, following China's absorption of Tibet. In 1958 China initiated construction of the Aksai Chin Road along an

⁶² The McMahon Line extends along the crest of the Himalayas north of the Brahmaputra River from Bhutan to Myanmar (Burma).

unclear borderline, leading to the capture of an Indian patrol by Chinese guards. Following the incident, China proposed negotiations to settle the border once and for all. Jawal Nehru refused, stating India would follow a policy of “No Dispute, No Negotiation” with non-recognition of proposals regarding the border with China. This stance would create a sedimentation of India’s lines and lead to future conflict.⁶³

India’s acceptance of the Tibetan Dalai Lama exacerbated the dispute, with Nehru meeting him upon his arrival into exile in 1959. Further antagonizing China was the publication of India’s Three Factors of Tibet Policy:

1. Preservation of India’s security and integrity (hinting at the McMahon Line).
2. Maintaining friendly relations with China.
3. Recognizing India’s deep sympathy for the Tibetan people.⁶⁴

China responded with patrols and border post construction along disputed territory. Nehru escalated by announcing a “Forward Policy” in the eastern and western sectors of the disputed boundary to vacate Chinese trespassers. When China offered to undergo mediation on the Aksai Chin question, Nehru rebuffed her, proclaiming he would consider Aksai Chin only in the context of the entire border, meaning all issues settled together.⁶⁵ India preferred a speedy border demarcation before China became too strong, fearing a more assertive China.

China increasingly worried about Indian support to Tibet, not just politically but militarily. Following the 1959 Tibetan uprising, China viewed the Aksai Chin Road as necessary for People’s Liberation Army troop deployments. In addition, China faced pressure from multiple crises at home, including famine and domestic challenges to Mao’s rule. China became frustrated by Indian intransigence in recognizing China’s concerns. These issues built to a head in 1962 when China invaded and quickly defeated India in the border regions. India was shocked

⁶³ Liu, *The Sino-Indian Border Dispute and Sino-Indian Relations*, 22.

⁶⁴ *Ibid.*, 25.

⁶⁵ *Ibid.*, 28.

and viewed the conflict as a Chinese betrayal of Asian solidarity. Further humiliation for India was China's unilateral return to its starting position and the status quo as a symbol of trust.

The effects of this battle have had consequences for the last five decades in the relationship between India and China. Among them is that following Nehru's death, India followed "an increasing tendency towards Realpolitik," culminating in its pursuit for nuclear weapons to ensure its sovereignty and make up for the world's ambivalence regarding the 1962 war.⁶⁶ Such actions are meant to ensure its independence from relying on others and explain India's hesitance to enter into bilateral agreements, fearing being left behind should partners find a better offer. India's nuclear test in 1998 is of interest since India placed justification on China, rather than its longtime rival Pakistan, showing it fears a militarily dominant People's Republic. China's response demonstrated a deep understanding of Indian international policy. By cooperating and interacting with world powers to condemn the test, China essentially communicated to India that "we're a global power and you're not."⁶⁷ Such actions meant to undercut India's view of itself as an example and regional leader.

Very slowly, tensions have fallen and some progress made regarding the border. With the fall of the Soviet Union and the desire of both states to increase their economy, a need for a stable and cooperative environment has materialized. Due to the contentious nature of the talks following decades of animosity, China has suggested postponing discussion for a decade to build trust and focus on other issues.⁶⁸ In response India agreed to "delinking" the border, allowing relations to develop without the pre-condition of resolving the dispute.⁶⁹ Such actions have given both nations a positive return. Both China and India have been able to divert military resources to

⁶⁶ Ogden, "Great Power Aspiration and Indian Conceptions of International Society," 59.

⁶⁷ Hoffman, "Perception and China Policy in India," 85.

⁶⁸ Zhang Guihong, "Certainties and Uncertainties in China-India Relations," in *China India Relations: Review and Analysis (volume 1)*, ed. Ye Hailin, trans. Chen Mirong (Reading, England: Paths International Ltd, 2014), 43.

⁶⁹ Smith, *Cold Peace: China-India Rivalry in the Twenty-first Century*, 30.

regions they deem more critical. India has also gained an ability to conduct trade negotiations with China, strengthening its economy while opening additional markets for its goods.

India's military concerns vis a vis China remain problematic but are relatively stable compared to its border skirmishes with Pakistan. The necessity to defend two borders strains India's military since it views Pakistan as a more likely threat. India remains concerned that China is not addressing its interests and that previous efforts to be cooperative, such as the 1954 Panchsheel Treaty, have left India betrayed. However, India's decision to de-link its border disputes from other issues demonstrates that economic concerns are taking priority over traditional goals of respect for sovereignty and equality among nations.

Diplomatically, the involvement of Pakistan limits US attempts to assure India. The most desired scenario would be to assist in negotiations with India and Pakistan to settle their differences and allow India to free up forces for use elsewhere. Two major roadblocks to this path are India's reluctance to have outside nations involve themselves in what they see as an internal matter and India's suspicions regarding US efforts due to its decades-long partnership with Pakistan. The second option is to recognize India's claims along the Sino-Indian border. These efforts may lead to an expectation that the United States also recognizes India's claims along its western border, complicating relations with Pakistan. Recognition may drive Pakistan to further develop its relationship with China, strengthening its alliance and leaving India's position strategically weaker. The third option is that the United States decides that India best aligns with US interests and is worth the risks of straining relationships with both China and Pakistan. While lifting limits to avoid antagonizing either party presented in the previous options, it greatly increases the likelihood of pushing Pakistan and China closer. Also affected would be US efforts in Afghanistan which rely on the appearance of, if not actual support, from Pakistan as well as US relations with China. At present, the best action is for the United States to offer or find a third party to monitor negotiations between China and India. This deescalates India's security concern, strengthens our rapport with New Delhi, and provides the narrative that India is

China's equal and entitled to having its concerns respected. Although not necessary, US efforts to stabilize the national government in Afghanistan will allow it to re-address its dependence on Pakistan and allow for more opportunities in its strategic choices regarding India.

Considerations of Military Support to India

When assessing India's military and its capabilities, the United States must be realistic. India's economic strength, security concerns, and the prioritization of its military arms as well as the goals it wishes those arms to achieve play a significant part in the formation of India's military. Put simply, the United States should ask "What roles can India's military support?" rather than "What roles do we want India to support?" By acknowledging and determining India's limitations the United States can work to augment and support their forces while they take a role the United States deems useful. It also addresses the concern of stationing insufficient forces due to an unprepared ally.

Acknowledging the conflicts with China regarding its borders and the numerous skirmishes it has fought with Pakistan in the west, India's military would appear to be a capable candidate to act as a deterrent against China. However, responding to border incursions and acting as a regional power are two different goals. Budgeting, deployment, and roles constrain the emerging power of India's military capability.

Economic development and monetary concerns remain the national priority for India. India views its economy as a form of security; robust trade strengthens relationships as well as provides the soft power it prefers to wield under a Nehruvian worldview. Therefore, defense spending must compete with economic development for limited resources. While trade increased in the 2000s, military spending as a percentage of GDP fell, from roughly three percent in 2009 to a projected two percent in 2018.⁷⁰ In comparison, while the United States budgets roughly three

⁷⁰ Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* 8.

and a half percent, that equates to \$571 billion. For India, the total is one-tenth or \$53 billion. Its potential competitor China devotes two percent as well but equating \$129.4 billion due to its larger economy.⁷¹ India must consider such disparities as it is a comparatively weaker power to China and is currently unable to match or outspend the Peoples Liberation Army to achieve parity.

Another consideration is deployment and sustainment of forces. Due to the tyranny of distance in the Pacific as well as the Asian continent, the capability of India to transport its forces is a necessity. Unfortunately, it appears India has yet to modernize enough to address this problem. King's College South Asia Strategic Studies researcher Dr. Walter Ladwig notes that India's airlift capability is under-resourced, requiring forty percent more aircraft than India's current transportation fleet has to provide lift for a single battalion. India's air force would require almost eighty percent more for an entire brigade. These figures do not include the necessary lift to provide the logistical support package necessary to sustain these forces.⁷² The range of such deployments is limited as well; while India's strategic transport has grown, the necessary aerial refueling platforms to support force projection has remained stagnant. Given China's large maritime boundary, consideration of amphibious deployments is important. However, as King's College Maritime Policy Studies director Geoffrey Till notes, "[India] is hard pressed to execute amphibious operations."⁷³ Like aerial lift, maritime logistical constraints also compound these operations. While India may be able to perform limited non-combatant evacuations as well as humanitarian assistance and disaster relief, it cannot sustain prolonged deployments by sea. The ability to deploy by air or sea is necessary due to the rugged

⁷¹ Laxman K. Behera, "India's Defence Budget 2017-1018: An Analysis," Institute for Defence Studies and Analyses, accessed February 3, 2017, https://idsa.in/issuebrief/india-defence-budget-2017-18_lkbehera_030217.

⁷² Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* 16.

⁷³ *Ibid.*, 15.

mountainous terrain of the Himalayas. While India and China may share a border, it is non-conducive to land invasion by either side due to altitude, terrain, and weather. The ability to project these forces may be of little consequence since the capabilities of ground forces once they arrive is dubious as India lacks the desire to equip or train for expeditionary operations.⁷⁴

Instead, India's Defense Ministry focuses on counter-terrorism and homeland defense.

Other factors which draw attention away from China include threats to India's domestic government and its sovereignty. The Defence Ministry's primary concerns remain Pakistan and the conflict over Kashmir. Second are domestic militant political and terror groups. These include Mizo ethnic groups and the Naxalist movement, Maoist guerrillas who likely receive some support from China. Lastly, India continues to monitor the civil unrest in Burma/Myanmar, concerned with violence or displaced refugees crossing the border. Similar concerns in Nepal, Sri Lanka, and Bangladesh also require India's attention.⁷⁵

If the Army's limited capabilities provide little deterrence, India's Navy may provide a possible solution. China sees the Indian Ocean as a strategic center for its nation. The Malacca Straits, which connect the Indian Ocean with the South China Sea, sees nearly 100,000 vessels and twenty-five percent of the world's trade pass through every year. With the development of China's anti-ship technology and anti-access/area-denial doctrine, the Chinese military believes that "the Indian Ocean is an ideal location to set up a long distance naval blockade."⁷⁶ In 1998, China initiated its first deployment of a naval task fleet into the South China Sea, conducting fleet visits and staff exchanges, and culminating with military exercises in the western Pacific. This demonstration was meant to signal that China was on a path towards developing an expeditionary fleet capable of blue water operations as opposed to coastal defense. In recent years, China has

⁷⁴ Budihhas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* 16.

⁷⁵ Envall and Hall, "Are India and Japan Potential Members of the Great Power Club?" 68.

⁷⁶ Yi and Qin Hai "Indo-Pacific Implications for China," 68.

deployed an anti-piracy task fleet to East Africa. While India has been appreciative of this assistance to protect commercial shipping, some government officials are concerned that once the threat ceases, Chinese patrols will continue.

India supports international sea norms like freedom of navigation, economic access to markets, and adherence to rule of law. However, unlike the United States or China, it has not made these issues of national interest.⁷⁷ While China's "String of Pearls" has raised tension, India believes the benefits of a cooperative attitude outweigh the risks associated. Remaining optimistic that conflict is unlikely, India has decided to forgo accelerating naval modernization.⁷⁸ Trends over the last fifteen years have shown little change in overall fleet numbers or naval capability. Until concerns regarding India's access to commercial markets become paramount, it is unlikely that India will make sacrifices in its economic sector to strengthen its naval fleet.

Instead, India has sought diplomatic soft power to court and establish relationships with smaller powers also concerned over China's rise. Vietnam has fought against China regarding its own border disputes and voiced opposition to China's policy of the Nine-Dash Line. India has sought to strengthen ties with Singapore, which sits on the Straits of Malacca and plays a role in access to the two Asian oceans. Besides building military relationships, India has strengthened economic ties through offering membership to its Indian Ocean Rim Association.

While lacking in military power, India's government published a variety of political statements in the last decade which indicate it is beginning to shift how it will build and utilize its navy. This began in a 2006 Ministry of External Affairs report which identified areas of interest to India, what NATO Defense College guest lecturer David Scott has termed "India's extended Neighborhood Concept." The 2007 Maritime Military Strategy closely followed this report, which built off India's 2004 Maritime Doctrine. These policy documents articulated the national

⁷⁷ Mehta, "Interests and Roles in the Indo-Pacific: An Indian Perspective," 111.

⁷⁸ Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* 10-11.

interests of India and the role its naval arm would play in securing them, what Naval War College professors James Holmes and Toshi Yoshihara have labeled “India’s Monroe Doctrine.”⁷⁹ The Ministry of Defence reaffirmed these trends in its 2014 annual report which stated, “The Navy’s strategic objective is to deter and dissuade acts against national interest . . . guaranteeing maritime sovereignty and full use of the sea.”⁸⁰

Alongside policy changes were alterations to India’s national strategic decision making. Experts comment that India’s political structures are not robust enough to support the bureaucracy needed of an emerging power, concentrating decision making in political elites while excluding the military from policymaking. A lack of Indian think tanks and academic interest groups created a further hindrance, not providing necessary resources to spur debate and manning of the political-strategic apparatus.⁸¹ Changes began in the last decade with India taking steps to make the military more inclusive in policymaking. These included elevating military members to serve on strategic and defense councils alongside an enlarged pool of ministers and parliament members, providing professional advice to civilian decision makers.⁸² A major defense policy initiative approved under this burgeoning system has been the development of the Indian Naval Ship (INS) Vikrant, an Indian developed and manufactured aircraft carrier.

While such modernization indicates India may be taking a more realist approach towards China, budget allocations do not support a growth in international power. Due to its weak indigenous defense market, India remains the biggest importer of military hardware in the world. Even the touted INS Vikrant has seen significant cost overruns and development delays which have pushed its anticipated deployment date to 2023. Aggravating this issue is that the army

⁷⁹ Budihas, *Is India’s Military Modernization Evidence of an Aggressive National Security Policy*, 5, 10.

⁸⁰ *Ibid.*, 10.

⁸¹ Envall and Hall, “Are India and Japan Potential Members of the Great Power Club?” 68.

⁸² Frazier, “Quiet Competition and the Future of Sino-Indian Relations,” 311.

remains the primary beneficiary of India's defense budget while the navy remains last in expenditures. Such issues have led to a belief that the "proposition that the US can leverage Indian maritime power...is built on wishful thinking."⁸³

India's military has many positives. It has discipline, contains coherent organization and is equipped with essential material. India's education and political system are also in much stronger shape than most of the indigenous forces the US has provided aid to in the last decades, a crucial ingredient to strengthening the military. India's armed forces have also been proficient at what its nation has asked of it, namely patrolling borders, suppressing insurrectionist revolt, and deterring Pakistan. However, when compared to China or when asked to act as a regional power, India is not yet sufficiently strong. To get there, the United States must demonstrate a patient, evolving strategy that seeks long-term success with short-term benchmarks.

First, the United States must continue to reinforce the importance of naval power in maintaining maritime trade and economic success. The priority of India's economy has demonstrated that unless proponents can establish clear relationships between military spending and economic growth, India will be reluctant to divert resources. Through naval exchange programs, visiting fellows to defense think tanks, and engagement at the ministerial defense level, the United States can stress the importance of Mahanian ideals and the prosperity of global commerce.

Second, the importance of strengthening India's logistical lift capability can provide immediate gains without alarming its neighbors. The dual use of aerial and sealift to provide humanitarian support as well as force projection allows the United States to provide equipment and training without alarming Pakistan, India's most likely opponent for any foreign military sales. This lift capability also allows India to overcome the geographic obstacles of the Indian

⁸³ Budihas, *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* 16.

Ocean and Himalayas. A second order effect of this support is that by assisting in offsetting spending for logistic capabilities, India will be able to use previously allocated funds towards other programs.

A final consideration for empowering India's naval force to become a competitive force and strengthen its interoperability with US allies is the creation of a multilateral naval exercise in the Indian Ocean. This would be a multi-year effort requiring patience and a US willingness to work with and through partners rather than leading themselves. The United States should organize, fund and lead an initial exercise to establish a foundation, create initial goals, and identify tasks or capabilities to improve for succeeding years. Over the next decade, the United States should slowly cede these roles to India to establish its credentials as a regional power and demonstrate a respect for its sovereignty and equality. Throughout the process, the United States should ensure its Indian partners are involved in every step to mentor and provide assistance where necessary. Finally, the US Navy should offer to continue to fund or subsidize this exercise to ensure its continued existence while promoting India internationally for its organization and leadership. Additional benefits to these joint exercises would be the multi-lateral relationships built among India and South East Asian Nations, the conduct of anti-piracy patrolling in support of securing economic sea lanes, and reinforcing the development of strategic lift through exercise logistics or humanitarian assistance visits. To mitigate concerns of China and Pakistan, invitations to both nations are necessary to reassure political leaders or create a narrative that China is not truly interested in cooperation with its neighbors.

Conclusion

India and China have a shared history which has run warm and cold during the past seven decades. Both nations are rising economic powers seeking a return to their perceived historical greatness. Both nations are also highly protective of their sovereignty and wary of outside nations attempting to influence their domestic economies or international politics. This is a result

of shared colonialization by western powers ended by the establishment of functional domestic governments in the late 1940s. While India and China have squabbled between each other and are healthy competitors in their economic goals, both recognize that the benefits of cooperation or at least non-intrusive behavior outweigh the costs of an adversarial relationship.

China sees its relationship as one in which India's markets can continue to sustain China's growth. India's technology sector also provides an opportunity for a symbiotic relationship in which its software can utilize China's hardware and China is able to strengthen its domestic programming closer to home. In terms of its military relationship, China views India as a weaker power in a less strategically significant location. To concentrate on the South Pacific, its priority, China will continue to stress negotiation and cooperation in its border disputes to keep the region stable. Positive relationships will also assist in its goals of India acting as a moderating or neutral presence regarding Tibet.

For India, its priority is and will remain regional stability to pursue economic growth. Its ability to voice opposition is constrained by the facts it is a weaker power and China is its majority trading partner. India will, therefore, seek cooperation. In international politics, China's staunch defense of national sovereignty and the equality of nations closely align with India's policies which seek to enable it to grow into a recognized voice of the world community as well. While India supports the concept of an Indo-Pacific region to back its influence in regional affairs and maritime trade, it remains hesitant to confront China directly in its dialogue and unable to support its role in sustained maritime patrolling. India's historical legacy as leader of the non-aligned movement generates reluctance to choose sides. Such choice is against its cultural norms which view harmony and peace among nations as an ultimate goal. Fear of Chinese retaliation also leads to a policy of hedging so as not to become stranded should the United States be an unreliable partner.

In the current regional environment, India does not stand as a suitable partner for offsetting Chinese power. This is a result of Indian reluctance as well as the inequalities among

their military capabilities. Should the United States decide that it must invest in India to cultivate it as a balance to China, it must undertake several steps in a patient and non-condescending manner. First, it must recognize that a unilateral relationship will create more obstacles than a multilateral approach. The United States should facilitate regional relationships, develop economic ties throughout south Asia, and appreciate India's preference for cooperation. This will assuage fears of direct infringement on Indian sovereignty from US pressure. The United States must seek multi-lateral incorporation between India and China as well. This approach serves US interests should China attempt to gain an advantage or refuse to cooperate in the interests of the region rather than its own. Such actions would demonstrate that the United States remains committed to equality of nations, while highlighting China as a hypocrite which forgoes international norms, abandons goodwill, and eschews fairness.

Second, the United States should support India's military development in such a way to allow it to act regionally while remaining non-threatening to China. The most feasible method is to support the procurement and sustainment of both aerial and maritime logistics and transportation capabilities. These methods allow India to develop a humanitarian assistance capability to legitimize it as a regional power with the additional benefit of creating force projection capabilities to offset Chinese forces.

Third, the United States should develop and assist India in the administration of annual regional naval exercises. Given its geography, India's navy remains the most probable force to confront Chinese intentions. Partnered naval exercises leverage a variety of Indian policy goals to serve as a suitable program of US cooperation. Exercises enhance multilateral cooperation, allow India to serve as a regional leader, and recognize Indian sovereignty by supporting Indian led exercise organization. This goal will require patience, understanding, and investment by the United States. Initial plans will require mentoring as well as monetary support from the United States. As Indian confidence grows, the United States should commit to continue to fund the effort to demonstrate reliability while remaining disciplined enough to allow India to organize

and develop the overall training plan on its own. Such efforts will increase Indian capability while strengthening regional alliances which already view China with a wary eye.

Finally, the United States must commit itself to promoting the achievements of cooperation and mutual benefit to the region above the balance it generates against China. In other words, it must accentuate the positives above the obstacles it will create for China. The United States cannot allow the perception of deterrence against China as its eventual goal, rather than that of a welcomed side benefit. Such self-serving publicity will only serve to alienate India, antagonize China, and allow for the formation of a regional narrative that western powers are seeking to meddle once again in the affairs of Indo-Pacific powers.

Bibliography

- Budihas, Christopher L. *Is India's Military Modernization Evidence of an Aggressive National Security Policy?* The Land Warfare Papers No 110 Arlington, VA: Association of the US Army Institute of Land Warfare, October 2016.
- Behera, Laxman K. "India's Defence Budget 2017-1018: An Analysis." Institute for Defence Studies and Analyses, 3 February 2017. Accessed November 2, 2017. https://idsa.in/issuebrief/india-defence-budget-2017-18_lkbehera_030217.
- Hailin, Ye, ed. *China India Relations: Review and Analysis*. Vol. 1. Translated by Chen Mirong. Reading, England: Paths International Ltd., 2014.
- Frankel, Francine, and Harry Harding. *The India-China Relationship: What the United States Needs to Know*. New York: Columbia University Press, 2004.
- Gaskarth, Jamie, ed. *China, India, and the Future of International Society*. London: Rowman and Littlefield International, 2015.
- Government of India. "The Constitution of India." Ministry of Law and Justice. Accessed January 18, 2018. <http://lawmin.nic.in/olwing/coi/coi-english/coi-4March2016.pdf>.
- Gray, Alex. "The worlds ten biggest economies in 2017." World Economic Forum, 9 March 2017. Accessed November 2, 2017. <https://www.weforum.org/agenda/2017/03/worlds-biggest-economies-in-2017/>.
- Gupta, Anil, Girija Pande, Haiyan Wang, William Antholis, and Andrian Morgan. *The Silk Road Rediscovered: How Indian and Chinese Companies are Becoming Globally Stronger by Winning in Each Other's Markets*. San Francisco: Jossey-Bass, 2014.
- Hameedy, Qasim. "Sino-India War 1962-Where do India and China Stand Today?" Master's Thesis, Fort Leavenworth, KS: US Army Command and General Staff College, 2013. Accessed November 2, 2017, <http://cgsc.contentdm.oclc.org/cdm/ref/collection/p4013coll2/id/3003>.
- Holslag, Jonathan. *China and India: Prospects for Peace*. New York: Columbia University Press, 2010.
- Independence Hall Association. "Massachusetts Bay — "The City Upon a Hill." USHistory.org Accessed November 30, 2017. <http://www.ushistory.org/us/3c.asp>.
- Joshi, Sachindra. "Sino-Indian Border: Is Conflict Inevitable?" Master's Thesis, Fort Leavenworth, KS: US Army Command and General Staff College, 2013. Accessed November 2, 2017, <http://cgsc.contentdm.oclc.org/cdm/singleitem/collection/p4013coll2/id/3107/rec/1>.
- Lintner, Bertil. *Great Game East: India, China, and the Struggle for Asia's Most Volatile Frontier*. New Haven, CT: Yale University Press, 2015.
- Liu, Xuecheng. *The Sino-Indian Border Dispute and Sino-Indian Relations*. Lanham, MD: University Press of America, Inc., 1994.

- Malik, Mohan. *Maritime Security in the Indo-Pacific: Perspectives from China, India, and the United States*. Lanham, MD: Rowman and Littlefield, 2014.
- Miller, Manjari. *Wronged by Empire: Post-Imperial Ideology and Foreign Policy in India and China*. Stanford, CA: Stanford University Press, 2013.
- Mohan, Raja. *Samudra Manthan: Sino-Indian Rivalry in the Indo Pacific*. Washington, DC: Carnegie Endowment for International Peace, 2012.
- Mohanty, Nirode. *Indo-US Relations: Terrorism, Nonproliferation, and Nuclear Energy*. Lanham, MD: Lexington Books, 2015.
- Smith, Jeff. *Cold Peace: China-India Rivalry in the Twenty-first Century*. Lanham, MD: Lexington Books, 2014.
- US Central Intelligence Agency. *The World Factbook 2017*. Washington, DC: Central Intelligence Agency, 2017.
- US Central Intelligence Agency. "South China Sea Islands 1988." Perry-Castañeda Library Map Collection. Accessed January 18, 2018.
https://legacy.lib.utexas.edu/maps/middle_east_and_asia/schina_sea_88.jpg.
- US Central Intelligence Agency. "China-India Border: Eastern Sector 1988." Perry-Castañeda Library Map Collection. Accessed January 18, 2018.
https://legacy.lib.utexas.edu/maps/middle_east_and_asia/china_india_e_border_88.jpg.
- Wallis, Joanne, and Andrew Carr. *Asia-Pacific Security: An Introduction*. Washington, DC: Georgetown University Press, 2006.