

INDIAN ARMY, 15 CORPS HQ, SRINAGAR

INSTITUTE OF PEACE AND CONFLICT STUDIES



Great Power Dynamics

INDIA, US AND CHINA



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DISCUSSION REPORT

Report of panel discussion held on 5 May 2007

Great Power Dynamics: India, US and China

INTRODUCTION

The Corps Commander welcomed the panellists and declared that the Corps HQ was honoured to host such a distinguished delegation from the IPCS. This was a unique opportunity for senior officers of this strategic Corps to interact with policymakers and senior analysts in Delhi and benefit from their wide knowledge. He particularly welcomed Maj Gen (Retd.) Banerjee, who had been a part of the Corps for a long period.

REGIONAL SECURITY ENVIRONMENT: MAJ GEN DIPANKAR BANERJEE

Gen Banerjee welcomed this opportunity for interaction with the senior officers of the most important strategic Corps of the Indian Army.

The world was in transition and so was India. This meant that India had look at its security needs from a new perspective. India was poised to play a larger role in the international arena. The India-US Nuclear Deal, was but just one indication of what great powers were ready to do to accommodate India in this world order. We need to ask ourselves whether India will emerge as an individual nation in conflict with our neighbours, or as a leader of a vibrant region with potential and prospects for growth and prosperity. The SAARC summit hosted in Delhi in early April this year was a positive development in that process.



Maj Gen Dipankar Banerjee
Director, IPCS

As it happens, all our immediate neighbours want India to be a part of the solution. Whether it is Pakistan and its questions of internal legitimacy or political order and Musharraf's own position in the coming months; or, Bangladesh and its inability to hold elections due to massive kleptocracy and misrule; or, Sri Lanka and its internal civil war that is again rampant; or even Nepal and its transition to democracy. India is seen as a player in resolving these issues and its help sought either directly or through third parties. Of these, perhaps the situation of most immediate concern is Afghanistan, a new member of SAARC and where the insurgency led by the Taliban seems to again take the country on a path of obscurantism and backwardness.

In this state of affairs, India will have to not only contend with a possible split and break up of Pakistan, but also a continued civil war of escalating violence in Sri Lanka, a mid-term instability of some sort in Nepal and a period of turbulent transition in Bangladesh. Therefore, while India will need to sharpen both its dissuasive and deterrent capabilities, the main thrust of its policy will have to be engagement and cooperation with its neighbours. A principal concern in this period will remain security of India's sea lanes and India's energy supply requirements.

SINO-INDIAN RELATIONS: AMB SALMAN HAIDAR

There has been a marked improvement in the relation between India and China. Tourism is developing, trade is rocketing and the anxiety governing the relation has been reduced. This trend is likely to continue. The difference made by the simultaneous rise of China and India is set to grow with time. This raises a number of many interesting possibilities for both the countries. It is notable that when India and China come together on a particular issue, as has happened in the past, they have a great combined weight. Notwithstanding the potential of their relation, are these two countries doomed to eternal rivalry? Do their interests seriously drive them apart on essential matters? On this, there are mixed signs.

Positive Developments

On military matters, China focuses its rivalry with its neighbours in the eastern frontiers much more than elsewhere, as is evident by their preoccupation with Taiwan and other regions where the bulk of their military is actually deployed. This preoccupation is unlikely to change in the near future.

Politically, they have swung to a more moderate, more balanced and even



Amb Salman Haidar
Former Foreign Secretary

more neutral position. For instance, on the Pakistan front, while their military relation has remained intact as they continue to supply armaments, politically, the changes in their relation have been apparent for quite some time. Over the last decade and a half, China has stopped lining up with Pakistan on Kashmir like they used to in earlier days. It is important to note that the ongoing peace process between India and Pakistan is not being impeded by China.

In Tibet, which is an area of special interest to India, China is much more relaxed. By the time India finishes the rail building in the Himalayas, the two countries will not be very far apart. China sees itself as a possible transit country from Sakhalin to India by rail. While these are distant dreams, if Tibet

can be seen as a corridor for useful economic activities, then that is something to consider closely.

Another factor that deserves mention is the question of transit from our northeast to China's southwest through Burma. It was a trade route in the Tang dynasty, a thousand years ago. It existed during the Second World War. The Chinese have been a little more open to reviving this for their own reasons but India has been conservative historically on this issue because we feel that opening up of this region can add to our difficulties. This, however, might change because a lot of work is being done now. It will have a multiple effect not only in helping the economic development of this remote part of our country, but also inducing better political affiliations between us.

Areas of Concern

Nevertheless, questions still persist about China's role in Gwadar and Burma. While India's response must be watchful, it should also be sober.

One area in which we will be competitors is energy. Both of us are there in Central Asia, far-east Russia, Sudan, Angola and even Latin America. There will be places where China and India will come up against each other, and they will have to bargain. This can take on a politically difficult dimension and aspect. But the globalization of this issue is something we have to note of and take into consideration.

It is not clear where our geostrategic perceptions and preoccupations take us. For instance, what is the fallout of our growing relations with America on our relations with China? It is clear that we are not looking at a friendship with America but are simply pursuing our national interest. While we are not doing anything to spike China, there can be a perceived fallout of



the Sino-Indian relationship which lies in the realm of geo-strategy. India is an observer in the Shanghai Cooperation Organization and China is now an observer in the SAARC summit. The world has become a complicated one with competition but not necessarily friction.

Future Relations

It is important to sort out our problems, firstly the border issue, and secondly the question of Tibet. While the question of Tibet and that of the Dalai Lama is much more relaxed now, the border issue remains unresolved. This issue will remain unresolved for quite some time because it is very difficult for India to accept major redrawing of the lines that define us. But there is potential for the two countries, and the 1996 agreement and the 1993 agreement provides a very good basis for substantial negotiation.

INDO-US RELATIONS: AMB LALIT MANSINGH

The history of Indo-US relations can be put under two phases: the first phase would cover the first 50 years while the second phase would cover the last ten years, roughly.

First Phase: 1947-1997

In the first 50 years, while there was every indicator for developing a close and cordial relationship between the two countries, they witnessed an almost hostile relationship. The reasons for this can be reduced to four elements or the four Ps, namely *political ideology*, *private enterprise*, *Pakistan* and *proliferation*.

- i. *Political Ideology*: During the Cold War, Washington viewed the world in black and white. And in that image, India did not fall on the side of Washington because non-alignment was regarded as immoral and incompatible with friendship with the United States.
- ii. *Private Enterprise*: The US was equally skeptical about India's socialist pattern of development. It was not understood in the US how state institutions could be given a dominant role. As a result, while they gave generous food aid, their doors were closed in terms of investment. India too held equally strong views about American private interests, starting with Pandit Nehru way down to George Fernandes who threw Coca Cola out of the country.
- iii. *Pakistan*: This cast the longest shadow in the Indo-US relationship. From the outset the Americans chose Pakistan over democratic India as an ally in their fight against communism. India was not considered relevant for their strategic purposes.
- iv. *Proliferation*: Differences on this issue came out in the open when India refused to sign the non-proliferation treaty on a matter of principle. This was not appreciated by the US and every successive administration put pressure on India to sign the NPT.



Amb Lalit Mansingh
Former Foreign Secretary

Second Phase: 1997-2007

The turning point of Indo-US relations was 1998 with India conducting the nuclear tests.

Notwithstanding the additional sanctions imposed after the tests, the nuclear tests drew the response of the Americans to the extent that Bill Clinton within a month of the nuclear tests appointed Strobe Talbott, a special envoy, to carry on a dialogue with India. The actual turning point was in 2000 when Bill Clinton

came on a visit to India. The fact that an American President had come after 22 years, and was talking friendship was instrumental in reversing the hostile relation of the past five decades.

After Clinton, the US under George W Bush's administration underwent a complete u-turn in its policy towards India. An immediate manifestation of this change was visible in military relations – something that had not materialized for five decades. After four years of hard and abrasive negotiations, a bilateral agenda was drawn focusing on four areas: nuclear cooperation,



space cooperation, transfer of high technology and missile defense.

Following the re-election of Bush as President, his new Secretary of State, Condoleezza Rice, visited Delhi on one of her first official tours. She offered America's support for a deal on nuclear cooperation. Thereafter, things moved really fast: Mr. Pranab Mukherjee came back

from his visit to the US with a ten-year defense agreement – the most comprehensive defense agreement that India has with any country; then the Prime Minister's visit in July 2005 leading to the 18 July joint statement with Bush focusing on nuclear cooperation agreement.

Nuclear Deal

The significance of this deal lies at three levels: at the base level, it is an energy cooperation agreement. A fuel supply agreement with the US will open the doors for similar agreements with other major suppliers. At a higher level, it is significant in ending India's technological isolation. For 30 years, countries which had high technology have denied it to India because of sanctions. At the third level, an understanding with the US will enhance India's concept of security, and furthermore, enable us to reach our aspirations as a global player which is not possible without the support of the US.

Future Relations

Today, there is no other country that can meet Indian national aspirations - be it investments or high technology – as much as the United States. Fortunately, in today's atmosphere, India does not have to choose between friends and so its friendship with the US is not at the cost of China. It is not at the cost of the Middle East countries. It is not at the cost of Iraq. But if the US does something that goes against our interest, India is capable of standing up, like it did in the case sending troops to Iraq. So it is important to emphasize the fact that India's has entered into a partnership, not an alliance. India is not compromising its sovereignty, nor is it becoming a satellite of the US. Relations between the two countries are mutually beneficial and hence worth pursuing.

DISCUSSION

- India has always stood by principles like nonalignment, irrespective of its national interests. Today, India is being told via the nuclear agreement that if it breaks ties or gives up the gas pipeline deal with Tehran only then it can proceed on the nuclear deal with the US. If it compromises at this stage, it will be reduced to the status of a satellite.

The Americans have not said that only if India snapped ties with Tehran would it proceed on the nuclear deal. India has made it clear to the US that it has a special relationship with Iran. As far as the pipeline is concerned, India is within its own and international laws. The Americans understand this energy requirement by India.

India will never become a satellite of the US. It values its sovereignty. If it comes to a stage where the Americans want India to take some action against its national requirements, the Indian leadership will most likely refuse.

- National interest is one issue and principles are another. In certain areas India has said that it has disagreed with certain demands on the ground that they were against global principles, despite them falling under limited national interests. If India follows global principles, in the next few years, it can become a global leader. However, if it comes down to national interests then what stature does it invite?



Lt Gen AS Sekhon
GOC, 15 Corps

This can be answered in two ways. Firstly, India acts on the assumption that its national interests are based on accepted principles. India tries not to do something deliberately that is against accepted principles. Secondly, beyond a certain point, principles become guidelines. For example, India pursued its principles and suffered a setback from China in

1962. India was pursuing a certain line without checking on its own strength to follow it. This was a lesson other countries learnt from the 1962 war. One can have high principles but it is not possible to defend your country by them alone. It was a lesson for the Indian policymakers that principles and national interests go hand in hand.

- India has shown signs of broadening relations with China. However, China has not reciprocated in the same way. How does India respond

to this behavior? Secondly, China's GDP has grown at a very fast rate. In the coming years, India's economy might grow further. Is there a possibility of the two economies fishing in the same Southeast Asian backyard for energy and other resources? Thirdly, there is steep rise in China's military expenditure; they have spread to the Indian Ocean through Myanmar and they have reached the Arabian Sea via Gwadar Port. They have plans to become a blue water navy. There is a doctrine emerging in China, known as the War Zone campaign. Could the two countries move from cooperation to competition to some kind of rivalry?

Firstly, exclusion of India has been a running thread in Chinese policy. There are broad approaches on China being a global player and India a regional player. However, according to their parameters of policy on their influence, they are equal on the global scale. India is not going to be defined by China but by itself. The ideal option for India is to work around and with China and strengthen the relationship.

The issue of competing for resources in Southeast Asia is a major cause for concern. It is not limited to Southeast Asia and is a global issue.



The modernization of the Chinese army goes back to the period following the first Gulf war. While their major military concern is Taiwan where most of their army is deployed, the issue requires attention.

- What is the case of Tawang? Statements are made that India-China border dispute can be resolved only if India parts with Tawang? Tawang is very essential to the religious sentiments of the Buddhists in Tibet.

Tawang is a curious case. It was not a part of their agenda earlier. It emerged in Track II discussions and from Track II it shifted to Track I. Such statements are unfortunate and it makes difficult the issue of negotiations on the Line of Actual Control (LAC). Tawang has advanced in a very bold way and can be interpreted in two ways. One, China sees that the negotiations are becoming serious. Therefore, the demands had to be advanced to this stage. Two, they have stopped looking forward as the demand for Tawang is unlikely to get settled in India. China is determined to settle its border disputes without conceding very much. It has obtained substantial concessions in the case of other border disputes.

- Is war with China unthinkable? Will such an assumption not weaken the Indian defense posture? Secondly, borders have been softened but no borders have been redrawn. India should not drop its deterrence.

While a war with China is unthinkable in the political and strategic sense, in a purely military view, China should continue to define Indian military capabilities. One reason that war is unthinkable is that India today possesses an effective deterrent capability against China. This does not mean that India will not prepare its defenses. Indian presence is strong on the border and it has acquired strategic strength with its nuclear programme. Moreover, the Chinese believe that one should despise the enemy strategically and respect him tactically. The Chinese are aware of the risks involved in attacking the Indian border. Therefore, there is no contradiction in asserting that war is unthinkable and still maintaining guard.

War between India and China is unthinkable because, in the context of globalization, the possibility of conflict is made absolutely remote. Neither India nor China's national interests would be furthered as a consequence of war. Maintaining military deterrent capability is a means to maintain peace.

- Since the late 1980s, India has been aware that the Tawang issue would come up in the future. However, the nature of dialogue on the border issue has indicated that Indian case on Tawang is very strong. One of the basic principles on which the border issue is to be resolved is that the populated areas should not be considered for any exchange. Fortunately, in Tawang, India has an entrenched and strong position. The effective administration in the region can be dated to a much earlier date. However, China will raise this issue again as a bargaining position on the overall settlement of the border question. It is in this complexity that the India-China relations will evolve in the future. India must be prepared for all these complexities.
- India does not want the US to act as a mediator in the Kashmir dispute because it is purely a bilateral issue between India and Pakistan. However, can US apply similar pressure on Pakistan/Musharraf as it is applying on Afghanistan, to stop cross-border terrorism?

It is important to understand where India and the US once stood on the Kashmir issue and to what extent they have each departed from their positions. From being opposed to any third party involvement and mediation, India has come to accept facilitation by the US. This was a subtle change in the Indian foreign policy that was articulated under Atal Bihari Vajpayee. By the time Clinton came to visit India, the US had rectified its tilt towards Pakistan. Their stand is that Kashmir is a dispute but for India it was settled when the instrument of accession was signed. Despite these formal stands, India and the US have come together and India is accepting help from the US behind the scenes.

The US pressure on Pakistan may be unsatisfactory, but it is significant that the pressure exists. It is important to point out that the US involvement in Afghanistan has benefited India. Afghanistan and Pakistan are considered breeding grounds for international terrorism directed against India. Therefore, when the US targeted the Taliban in Afghanistan it served Indian strategic interests too.