Abstract

The end of the Cold War has seen the emergence of a triangular dynamic involving India, China and the United States which has become increasingly prominent within global political discussions, given the rising economic and military might of the two Asian powers. Policy-makers in Washington acknowledge the significant role that India could play in stabilising Asia’s security order along with China, particularly in the effort to curb terrorist threats, proliferation of weapons of mass destruction and climate change. However, there remains scepticism about the durability of this triangular dynamic (Rajamohan, 2011). None of the powers seem inclined to contain one another and upset the power equations developing amongst them. This paper takes a deeper look into the bilateral relationships in this strategic triangle to reveal how the dynamics of political interactions has evolved through particular phases of highs and lows in the history of relations between the three nations.

Key Words: India, China, United States, bilateral relations, strategic triangle.

Introduction

The post-Cold War global order has witnessed the emergence of a distinctive pattern of triangular interaction among India, China and United States during the 1990s, which further developed after the events of September 11, 2001. The war against terrorism provided a common platform for the three powers to discuss matters of strategic importance. There has been a fundamental reassessment in each of these three countries of the relative importance of the other actors in the political triangle and accordingly each power is
attempting to restructure its foreign policy priorities without jeopardizing its national interests.

Asian politics today has become increasingly complicated as there are constant changes in the variables of a triangular relationship: China, the US and Russia; or China, Japan and the US; or China, Russia and India; or India, China and Pakistan. But at present the global order is focused on the constant interactions among India, China and the US. As the confrontational atmosphere of the Cold War has largely receded, the strategic interactions between these three countries have become the subject of intense analysis by interested observers. There are two defining characteristics of the security environment in the Asia-Pacific region after the end of Cold War: First, the United States has become the only superpower in the world today. It is also the most important external power in Asia, and plays a key role in Asian security. Secondly, old rivals, China and India have emerged as strong regional powers, as evidenced by impressive economic growth, the development of nuclear arsenals, and demonstrated ambitions for influence in the Pacific and South Asian regions. While China’s role as an economic and geo-strategic player is more widely recognized, India is slowly emerging as a regional competitor to be taken seriously. The events of September 11, 2001 and their aftermath have further succeeded in providing new incentive to bring these two countries together to share common security concerns. Further with the unprecedented U.S. military presence in South Asia due to the war against terrorism, a third player—the world’s remaining superpower—is now more closely involved in the historic Sino-Indian rivalry.

The concept of a strategic triangle is now familiar to analysts of international affairs (Harding, 2004: 321). It refers to a situation in which three major powers are sufficiently important to each other that a change in the relationship between any two of them has a significant impact on the interests of the third. The greater that impact, actual or potential, the greater is the significance of the triangular relationship.

With the rise of the Indian and the Chinese power in the twenty-first century, it is unclear what pattern the triangle will evolve into; some speculate about a U.S-India alignment against a rising China; others emphasize about a Sino-Indian cooperative framework against the uni-polar world order led by the U.S. (Harding, 2004: 323). So far, there has been no consistent identifiable pattern. As the Cold War ended and the former Soviet Union collapsed, India has restructured its own international relationships, attempting to reduce tensions with China and build concrete ties with the United States. China, on the other hand, has sought to improve relations with India, break off from its strategic encirclement policy and maintain a stable relationship with the United States despite its serious differences on the human rights and Taiwan issue.

The last two decades, have thus, witnessed dramatic improvements in U.S.-India ties, a reduction of tension in bilateral India-China relations and the progression of U.S.-China relationship from a “strategic partner” under the Clinton administration to a “strategic competitor” under the Bush Government and ambivalence under President Barack Obama.
A deeper look into the bilateral relationships in this strategic triangle would reveal how the dynamics of political interactions has evolved through particular phases of highs and lows in the history of relations between the nations.

This essay begins with a brief analysis of the study of triangles in international relations followed by the course of evolution of the bilateral relationships into a strategic triangle. The essay also attempts to analyse if there is a possibility of a change in the position of the three major powers in the strategic triangle.

According to Henry Kissinger, the most advantageous position in the strategic triangle is the ‘pivot’ role which maintains amity with the other two players (the wings) while pitting them against each other (Wu, 1996: 26-52). In this case-study, the US skilfully maintains the ‘pivot’ position keeping a delicate balance between its relations with the two wings, India and China and deriving maximum benefits as the latter two engage in a rivalry to outbid each other. It may be that the US becomes too complacent regarding relations with both India and China. In order to resist US supremacy, India and China make a formal alliance which is unrealistic in the current international political climate. Tension has slowly been building up between the two Asian giants after the Tibetan spiritual leader Dalai Lama went ahead with plans to visit a heavily militarized Tibetan Buddhist area in northeast India in November 2009. The academic and media commentators have been further inciting the divergence of opinions. "Is China itching to wage war on India?" was an immediate response of Professor Brahma Chellaney of the Centre for Policy Research in New Delhi, India (Chellaney, 2009). Reports have also appeared in Chinese state media alleging that India was moving troops and fighter aircraft to the northeast, specifically into Sikkim and Arunachal Pradesh. Close to 400 incidents of border intrusion have occurred in the last three years, according to the Indian Defence Yearbook published in February 2009 with over 140 in 2007 and many more in 2008 (Arora, 2009). Is there a possibility of both India and China competing against each other to improve their respective strategic positions and grab the ‘pivot’ position in the strategic triangle? The course of evolution of the triangular relationship involving India, China and the United States of America has a significant impact on the current global configuration of power and will continue to do so in the foreseeable future.

The study of triangles in International Relations

The metaphor of a triangle has become increasingly popular in the historical-analytical studies of the big-power relations (Zha, 2001: 117). A triangle views the evolution of relations among three nation-states as an inseparable whole. It implies that one of the three actors adopts a particular foreign policy decision toward a second actor either as a result of or as an effect of managing its relations with the third actor. During the Cold War, relations among the United States, the Soviet Union, and China were considered to form a “Great
Triangle”. None of the three actors could act independently toward either of the other two without taking into consideration the third party.

The study of triangles has its origins in sociology and social psychology with a particular focus on the individual level of analysis (Woo, 2003: 33-63). The Levels of Analysis approach was first used by Kenneth Waltz and later elaborated by David J. Singer, which offered three different sources of explanations. If the individual level is the focus, then the personality, perceptions, choices, and activities of individual decision makers and individual participants provide the explanation. If the state level, or domestic factors, is the focus, then the explanation is derived from characteristics of the state: the type of government (democracy or authoritarianism), the type of economic system (capitalist or socialist), interest groups within the country, or even the national interest. If the international system level is the focus, then the explanation rests with the anarchic characteristics of that system or with international and regional organizations and their strengths and weaknesses (Waltz, 1961: 20-29). The purpose of theory is to guide foreign policy makers toward an understanding of which of these various explanations are necessary and sufficient to explain the behaviour of the states. Sociological coalition theory and the theory of structural balance have especially influenced the study of triangles in international relations. Coalition theorists maintain that the distribution of power among the players decides who is to align with whom (Caplow, 1956: 489-493). Structural balance theorists argue that the fate of the remaining side is determined by the nature of the other two relationships because players pursue cognitive consistency (McDonald and Roscrance, 1985: 57-82).

However, those above cannot be identified as sufficient explanations of interstate behaviour in a triangular setting. Lowell Dittmer has attempted to explain the strategic triangle from a rational choice perspective. He has viewed the triangle as some “sort of a transactional game among three players” (Dittmer, 1981: 485-515). Dittmer has developed the following typology, according to which there are three ideal patterns of interaction in a triangle: “the ménage-a-trois” consisting of symmetrical relations of amity among all the three players; “the romantic triangle” consisting of amity between one ‘pivot’ player and the two ‘wing’ players but enmity between the latter two; and “the stable marriage” consisting of amity between two of the players and enmity between each and the third. The India-China-United States strategic triangle cannot be absolutely identified with any of these patterns. Each of these pattern dynamics has specific rules of rational play. Dittmer argues that the shift from one pattern to another is a function of the attempts of the players to freeze a given configuration through commitment to a treaty or a common ideology, interacting with periodic crises that test their commitments (Dittmer, 1981: 489). The triangular pattern may assume various shades based on the mutual engagements amongst the players. It may be cooperative, or hierarchical, or competitive. Washington-based Indian correspondent, Seema Sirohi argues that the tendency of the relationship among the US, India and China can be characterised as a romantic triangle, implying that one country tries to benefit from the tensions between the other two; if ever the relationship between India and China
deteriorates, the US will benefit from that deterioration and enjoy curry and Peking duck in the same meal (Sirohi, 2004). Will the US be able to maintain its advantageous ‘pivot’ position and benefit from the tensions between China and India? Such an assertion is perhaps too simplistic, because their relationships are much more complicated than that. The questions remain, “How does improving Indo-US relations affect India’s relations with China?” or “What would be the American reaction to increasing co-operation between India and China?” or “Will India be marginalised as the United States and China dominate regional politics in the Asian sub-continent?” The end of the Cold War certainly did not mark the end of triangular politics.

**India-U.S. relations: “Estranged democracies” to “engaging partners”**

During the first fifty years of India’s independence, despite a common history of shared democratic values, India-U.S. relations drifted into a state of “estrangement” (Rajamony, 2002: 1-47). India, pursuing a policy of non-alignment, decided not to join the West in its crusade against Communism which offended the U.S. deeply. The 1960s and 1970s saw the United States veering towards Pakistan while the former Soviet Union offered political, military and economic support to India. India – U.S. relations hit rock bottom in 1971 during the war with Pakistan over the liberation of Bangladesh. A virtual entente emerged between the United States, China and Pakistan against India. The United States sent its Seventh Fleet into the Bay of Bengal in what was seen by India as a blatant act of nuclear blackmail, and encouraged China to open a second front against India.

The end of the Cold War, the collapse of the Soviet Union and the launching of an economic liberalization program in India in the early nineties ushered in a new era in the estranged relationship. Although, there was greater interaction at the political, economic and the military levels, this cooperation was counterbalanced by tensions related to questions of non-proliferation (Sidhu and Yuan, 2003: 94). The conduct of nuclear tests and the announcement of a program of weaponization by India in May 1998 led to yet another low point in the relationship. The United States joined hands with China in leading international opinion against India and to call for a roll-back of its nuclear program. The United States further went on to impose military, economic, scientific and technological sanctions against India. After the Indian nuclear tests in 1998, the non-proliferation aspect of the Indo-U.S. bilateral relationship became more prominent, given the fact that India has always been a vociferous critic of the Non-Proliferation Treaty (NPT) regime which divided the world into nuclear-haves and have-nots.

The Kargil conflict of 1999 between India and Pakistan further provided the United States with an opportunity to play a positive role in the subcontinent by calling for a withdrawal of Pakistani infiltrators from across the Line of Control in Kashmir. Later, the visit of the American President Bill Clinton to India in March 2000 marked a major change in American
foreign policy. By undertaking a five day visit to India and only a transit halt of a few hours in Pakistan, the Clinton administration made it clear that its priority within South Asia would be to engage India and strengthen its relations with India. The United States accepted that India, the largest democracy in the world and a potentially important economic partner could not be equated with Pakistan, a country, one seventh the size of India and facing serious economic problems as well as chronic political instability.

The U.S. developed a comprehensive and institutionalized relationship with India, covering broad fields such as economic ties, political dialogue and military exchanges. The U.S. also adopted a policy on the Kashmir issue- namely, calling for respect of the Line of Control (LoC), advocating direct dialogue between India and Pakistan, and opposing the use of force to resolve the dispute that was more favourable to India. India became the largest recipient of U.S. development and food aid in South Asia: U.S. assistance to India in 2000 reached a total of $170 million- second only to Indonesia among Asian states and more than 45 times that of Pakistan’s ($3.78 million) (Guihong, 2003).

When George W. Bush ascended the White House in January 2001, his Republican Administration continued the Clinton policy of engagement in South Asia, with a special emphasis on U.S.-India relations. The realm of security was the first beneficiary of transforming U.S.-India relations. The Bush Administration de-emphasized non-proliferation as the sole determinant of US policy towards India and moved away from its demands for India’s signing of the CTBT (Comprehensive Test Ban Treaty). The second element of the transformation was in the area of defense cooperation followed by exchanges of high-level defense officials between the two countries and joint military exercises.

An indication of this new development was India’s response to President Bush’s 1 May 2001 speech on missile defense (Tomar, 2001). India is being slowly driven towards the idea of de-emphasizing the traditional agenda of reduced reliance on the use of nuclear weapons and is aligning itself with the new ideas such as missile defences and counter proliferation that have been highlighted by the radicals in the Bush Administration. There is a rising, complex view within New Delhi that it is in India’s interest to adapt quickly to the changing international rules of the nuclear game, and within that framework the past emphasis on disarmament and no-first-use might no longer be the top priorities of Indian foreign policy.

Having recognised the proliferation of WMD as a serious threat to its own national security, India is deeply concerned about the spread of nuclear weapons into the hands of states or groups of terrorists who do not abide by the traditional rules of nuclear deterrence. India's own experience with Pakistan's nuclear blackmail and Islamabad's strategy of using the nuclear balance to foment terrorism across the border co-relates with the arguments put forward by Washington that there are forces out there who cannot be deterred by traditional means. Added to it is the concern that Pakistan might become a failed state or that nuclear weapons might fall into the hands of extremist forces in that country. This kind
of approach paves the way for India to continue the security and strategic dialogue with the United States that had begun under the Clinton administration (Sidhu, 2001: 59-66).

From 2001 to 2003, the agenda for bilateral cooperation between the United States and India extended to diplomatic collaboration, military-to-military relations, counterterrorism cooperation, and public diplomacy. This paved the way for one of the Bush administration’s major first-term diplomatic achievements, Next Steps in Strategic Partnership (NSSP). This agreement, which was announced in January 2004 after months of negotiation, drew its inspiration from the Bush-Vajpayee Joint Statement of November 2001.1 The strategic dialogue initiated from this statement emphasized on global security issues, including India’s quest for permanent United Nations Security Council membership, future defence cooperation, high-technology trade, and space-related collaboration, as well as regional issues pertaining to security in and around South Asia. The energy dialogue has the focus on energy security matters including the proposed Indian-Iranian-Pakistani gas pipeline, cooperation on nuclear safety, and, most important of all, ways of integrating India into the global nuclear regime so as to address New Delhi’s desire for renewed access to safeguarded nuclear fuel and advanced nuclear reactors. The economic dialogue, which exists in a limited form, particularly compared with U.S.-China economic interaction, requires high-level political and private-sector participation in order to increase U.S.-Indian economic engagement (Tellis, 2005).

The September 11, 2001 attack and the war on terrorism that followed the tragic event provided a chance for the US and India to forge an even closer strategic cooperation. It has become a turning point in the Indo-US security relationship. The two countries together implemented a co-operative framework of relationships based on three dimensions: democracy, economy, and security. As Stephen Cohen, the U.S. specialist on South Asia security issues has commented, the United States and India’s relationship was “structurally changing” (Cohen, 2000: 1-37). He has continued to argue that India and the United States are each groping for a strategy to cope with the emergence of China as a major world power. There are significant numbers of people, both within the United States and India, which believe that China is a ‘threat’ to the interests of the two countries (Rajamony, 2002).

The Indo-U.S. defence agreement signed in Washington on June 28, 2005 between the Defence Ministers of the two countries has significant ramifications for the strategic framework involving China, India and the United States. India has an obvious interest in enhancing cooperation with the world's sole superpower, as India strives to become a major regional power and eventually a powerful global entity. To achieve this goal, India seeks

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American support to join the Security Council as a permanent member, and also to acquire high technology from the United States and its G-8 partners, including military technology and civilian nuclear energy. The operationalization of the 123 Agreement between India and US on October 10, 2008 marked a watershed achievement in the history of their bilateral relations. The American interest in enhancing Indo-U.S. ties is two-fold. It seeks that India join the coalition forces in their counter-terrorism efforts as India is one of the very few nations in the world that has the trained manpower and logistics to contribute effectively to the cause of uprooting the seeds of violence. U.S. interest also lies in encouraging India to counter China to establish a new balance of power in Asia that would better serve American interests. However, the U.S. Ambassador in India Robert Blackwill had stated that “U.S.-India friendship will not be directed against any third party” (Blackwill, 2001).

Although both the United States and India share certain common interests, it is not imperative that they codify their commitments toward each other. In today’s era of open boundaries and economies, states have diffuse interests and threats and need to maintain fluid foreign relations.

The Indian Prime Minister, Mr Manmohan Singh concluded his momentous visit to the United States in July 2005 by assuring both Pakistan and China that what had been achieved in Washington was not directed against any other country (Dua, 2005). He spoke to the Indian press ensuring that India would continue with its “constructive engagement” with China. The assurance to both Pakistan and China had become necessary in view of the reports that both the countries were feeling concerned about the emerging relationship between India and the United States. The Indian Prime Minister was confident that closer Indo-U.S. ties would not jeopardize improving Sino-Indian relationship which has completed 60 years of diplomatic relations this year. Obama’s recent visit in November 2010 was marked by a pledge to support India’s full membership in the Nuclear Suppliers Group (NSG), the Missile Technology Control Regime (MTCR), the Australian Group and the Wassenaar Agreement without insisting on India signing the Nuclear Non Proliferation Treaty (NPT) as a non-weapons state, which was a clear impossibility earlier. India’s membership in these regulatory bodies would give it an equivalent status to the five recognised nuclear weapons states and make it a genuine partner rather than a target of international non-proliferation efforts. In short, the Obama Administration was moving further along the road of US-India cooperation charted during the Bush Administration. It is to be argued that as a regional power, India needs to consider its geo-strategic limitations and one of its major interests is to ensure that the changing contours of Indo-U.S. relationship do not disrupt the balance of power between India and China and consequently the peace and tranquillity in the neighbourhood.
Sino-U.S. relations: “Strategic partners” to “strategic competitors”

Since the founding of the Peoples’ Republic of China (PRC), till the end of the Cold War, China’s relations with the United States were overshadowed by ideological rivalry in the context of the East-West balance of power (Hook, 2005: 34). Sino-American tensions lessened in the 1970s following the Sino-Soviet rift of late 1960s and the opening up of China by the efforts of Nixon-Kissinger duo. Despite the beginning of the economic modernization programme under Deng Xiaoping after 1976, Sino-U.S. bilateral relations continued to be plagued by U.S. complaints about Beijing’s human rights policy, neglect of environmental problems, weapons transfers and arms sales to Iran, Pakistan and others and maintenance of protectionist trade policies. The Chinese leaders on the other hand continued to criticise the United States on international platforms as being hegemonic. The Tiananmen Square incident of June 1989 remained a pivotal event in the chronicle of Sino-U.S. relations. It fundamentally changed the way in which bilateral relationship between the two countries has been managed since President Nixon’s historic 1972 visit to China (Lampton, 2001). With the collapse of Soviet Communism, the Chinese role in countering Soviet expansionism lost its rationale and the fundamental incompatibilities between the two systems became more pronounced. However, with the end of the Cold War, the strategic importance of the Sino-U.S. relationship was further strengthened and the policy to ‘engage’ China for the greater purpose of global peace and stability was undertaken by the Clinton administration (Christopher, 1998: 516). His regime specifically sought to revitalize relations with China through closer economic cooperation by encouraging China’s entry into the World Trade Organization (WTO) and other global conventions. The President’s policy was based on the neo-liberal presumption that China’s inclusion in global economic and political regimes would encourage Beijing to moderate its internal political behaviour and conform to international standards.

The Bush administration’s China policy has taken a significant departure from that of his predecessor (Sidhu and Yuan, 2003: 87). During the 2000 presidential campaign, the Bush campaign on several occasions characterized China as a ‘strategic competitor’ and a future challenger to critical U.S. interests in the Asia-Pacific region.2 Thus, the maxim that there are no permanent friends or enemies, only interests (Morgenthau, 1985) can be invoked to describe Sino-US relations. A certain group of academicians in America believe that neither idealism or imperialism, nor engagement or containment can be appropriately applied to the U.S. Policy towards China. The US administration cautioned that: “We don’t have a strategic partnership or alliance with China. But we need to have constructive relations, there needs to be a continuing dialogue” (Grier and Thurman, 1999).

As the U.S Department of State Press Release on July 10, 2005 of the speech of the U.S. Secretary of State, Condoleezza Rice emphasized that the relationship between the United

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States and China is “complex” (U.S Department of State, 2005) with areas of divergent opinions like human rights and religious freedom particularly related to Tibet, Taiwanese independence, military build-up and arms transfers to Iran and Pakistan and favourable balance of trade towards China in the economic sector. However, both the countries have pursued cooperative strategies on issues like nuclear non-proliferation in the Korean peninsula, counter-terrorism measures and an active economic engagement despite its complications. Between 2001 and 2003, China’s overall trade grew by two-thirds, from $510 billion to $851 billion and among the key factors in this surge in China’s global trade were the exports from China to the United States, which grew by more than 40%, from $100 billion in 2000 to $156 billion in 2003 (U.S-China Business Council, 2005). The huge Sino-American trade imbalance has heightened the element of competitiveness in Sino-American relations which has had a positive impact on Indo-U.S relations. In recent years the sale of Patriot PAC-3 missiles worth about US$1 billion to Taiwan, Obama’s meeting with Dalai Lama in February 2010 and the constant irritant, the human rights issue, have seriously undermined the US-China relations.

Rosemary Foot in “Chinese strategies in a US-hegemonic global order: accommodating and hedging” argues that the rise of China, especially marked in the 1990s, has prompted a realist argument that the unipolar order is leading to the establishment of a Chinese-led anti-hegemonic coalition, and to China’s building up its internal economic and military capabilities in order to become a ‘peer competitor’ of the United States (Foot, 2006: 77-94). John J. Mearsheimer in “China’s Unpeaceful Rise” has raised questions about possible American reaction to China’s growing economic and military might. Historical records show that America does not tolerate peer competitors and it is determined to maintain its status as the world’s only regional hegemon, if not the sole global hegemon (Mearsheimer, 2006: 160-162). Despite its reassurances to the rest of the world that the new China would like to build amicable relationships based on mutual trust and long term bonds, the international community is not entirely convinced of China’s new role as a harbinger of peace in Asia and the world. China however needs to create a greater sense of openness within its own walls in order for the international community to fully accept China's strategy of peaceful rise. The likelihood of outbreak of a Cold War between the two powers can be avoided if both subordinate national aspirations to a vision of a global order. Kissinger in a recent article in the Washington Post commented that “neither the United States nor China has experience in such a task. Each assumes its national values to be both unique and of a kind to which other peoples naturally aspire. Reconciling the two versions of exceptionalism is the deepest challenge of the Sino-American relationship” (Kissinger, 2011). In the American-Chinese relationship, the over-riding reality is that both countries will not likely be able to dominate the other and that conflict between them would exhaust the potential of their societies. Can they find a conceptual framework to express this reality? For this, they need a consultative mechanism that permits the elaboration of common long-term objectives and coordinates the positions of the two countries at international conferences. Chinese scholars
characterize the current state of affairs as a ‘hot peace’, not a new ‘cold war’. To prevent turning this ‘hot peace’ into a ‘hot war’, the China-US relationship must be de-militarized and de-sensationalized. Neither power would gain anything from a head-on military confrontation.

Sino-Indian relations: Competition or cooperation?

The Sino-Indian relationship is maturing into one of the most important bilateral relationships in world politics and their continuing economic growth are projecting them to influential positions within the global market. According to the United States National Intelligence Council Report on emerging global trends, by 2015, international community will have to confront the military, political and economic dimensions of the rise of China and India. How these two countries manage their relationship will have a tremendous impact on peace and stability in the regional and, increasingly, global context.

Against the backdrop of an international environment in constant flux, the two Asian powers find themselves locked into what Barry Buzan has called the ‘security complex’ within which they are expected to manage their rivalry and develop ties of cooperation (Buzan, 1991: 2009). The principal factor defining a complex, according to Buzan, is usually a high level of threat/fear which is felt mutually among two or more major states. Historical evidence shows that although China has been a major security concern for India, the Chinese were less wary of India and concentrated more on the pattern of superpower rivalry existing between the United States and the former Soviet Union during the Cold War.

After 48 years of cold peace, mistrust and hostility since the Sino-Indian border clashes in 1962, the demands of realpolitik and pragmatism in policy-making are transforming one of Asia’s most important relationships - bilateral ties between India and China. China and India, the two largest developing countries in the world, have a commonality of history, culture, economy and social characteristics, despite certain irreconcilable differences. Each is concentrating its resources to expedite internal economic development, carries out an independent foreign policy and strives for a peaceful international environment. China is a big power in East Asia while India is a big power in South Asia. Each enjoys advantages and influence in their respective regions. In spite of sharing a glorious civilizational past and having never fought a single war until their emergence as modern states, security competition between India and China is inevitable as their economies grow. However, the positive note is that this security competition does not have to be conflictual. The contemporary picture in China-India relations today is that both nations are engaged in

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3 The report “Global Trends 2015: A Dialogue about the Future with Nongovernmental Experts”, National Intelligence Council is available online http://www.dni.gov/nic/PDF_GIF_global/globaltrend2015.pdf accessed on 14th March 2011. This paper was approved for publication by the National Foreign Intelligence Board under the authority of the Director of Central Intelligence.
attempting to put the past behind and forge new relationships based on the emerging global strategic realities. Trade and economic ties have grown exponentially in the last five years and leaders of both the countries have expressed determination to find solutions to the China-India boundary dispute which have distorted relations in the past.

The key factors which shaped the domestic as well as foreign policies of both the countries in post-Cold War period have been their respective perceptions of the changing contours of world politics; consensus on several issues like developing a fair, equitable, international political and economic order, the expanding role for the United Nations, and support of global disarmament, including efforts to prevent the weaponization of outer space. China's foreign policy emphasizes military security and national sovereignty, economic prosperity and social welfare (Parlez, 2002). Therefore, it has focused on establishing working relationship with as many states as possible, especially its neighbours assuring them that China intends to establish a peaceful regional environment conducive to economic development. Economic interest, therefore, is a significant motivation behind expanding the network of diplomatic relations. China has understood that India cannot be prevented from being a dominant player in the Indian subcontinent and from creating space for its larger role in Asia. This may be one of the reasons for China’s positive attitude to solve several contentious issues and for apparently understanding the nuclear doctrine of India, the minimum nuclear deterrence and other security related issues. In the same period, India has also modified its foreign policy for promoting a peaceful environment in order to consolidate its economic foundation. It has realized that armed conflict will be economically disastrous and politically unwise.

The economic development of China and India needs America’s cooperation and support. At the same time, America needs the huge markets of the two big Asian countries. The United States could be a positive factor for Sino-India relationships, if it tries to promote regional stability in South Asia and help China and India’s economic modernization. It could, as well, cast itself in a negative role when it plays the ‘India card’ in its dealings with China; or plays the ‘China card’ in developing its relations with India. As both China and India have come to be important players in regional and global decision-making and given their rising economies which have come to be characterized as “soft power” (Rajamony, 2002), it remains to be seen how the United States accommodate the future actions and policies of these two nation-states within the sphere of its own national interests.

The end of the Cold War gave a new dimension to Sino-Indian relationship when the peace process was expedited with Chinese Premier Li Peng’s visit to India, in 1991. The Indian Prime Minister P.V. Narasimha Rao visited China in 1993 when the Peace and Tranquility Agreement was signed which was helpful towards reaching a solution to the Sino-Indian border dispute. In particular, the border dispute was addressed through a series of meetings of the China-India Joint Working Group (JWG), which began its first meeting in July 1989 (Sidhu and Yuan, 2003: 24). Following the Agreement, regular meetings were held between
the soldiers on both sides, a hotline link between the two countries was set up, an agreement to maintain peace and security on both sides of the LAC was signed. Sino-Indian rapprochement was further solidified by President Jiang Zemin’s visit to New Delhi in late 1996 (Shirk, 2004: 81). During his visit an accord was signed for partial demilitarization of the disputed border of 4,500 km shared by both the countries. New institutional links were established among not only the military but also members of the academic community, political parties and the media personnel. After the 1990s, the narrow track of cooperation gradually broadened. Between 1997 and 2007, bilateral trade increased from 1.6 to 38.7 billion USD. Figures from the China Statistical Yearbook and Indian Ministry of Tourism reveal that bilateral visits had grown ten fold to more than half a million by 2007. A review of the archives of the Indian and Chinese Ministry of Foreign Affairs also showed that the improving relations were reflected by the average annual number of ministerial exchanges that increased from two in the 1990s to four in the years afterwards, as well as the cumulated number of bilateral agreements that augmented from five in 1990 to 81 in 2006, and the cumulated number of Track I & II dialogues which in the same period has grown from two to twelve (Holslag, 2009).

The changing reality of India-China ties is clearly reflected in economic issues increasingly becoming the most vital component of official discourse and academic enquiry both in the Western countries, as well as, in India and China. As a result of this growing interest amongst experts and officials of both these countries, India-China economic engagement has since come to be recognized as one of the most reliable CBM (confidence-building measure) in the trajectory of India-China political rapprochement. It is only in the last few years that the two powers, overcoming their colonial and Cold War legacies, have begun to emphasize on their mutual linkages and on the advantages of mutual benefit and mutual accommodation. Especially, with China’s continuous rise during the last three decades, Beijing’s focus has moved from being a strong economic power to a reliable neighbour by building links between its ‘multidimensional’ economy and its immediate periphery (Singh, 2005). This perhaps partly explains the recent upsurge in China-India economic ties. From this perspective, their relations can today be described as shifting from politics-driven-economics to economics-driven-politics which explains the urge of their respective political leadership to establish a strong strategic partnership. It is possible to identify vital similarities in the reform process especially in the strengths of their political leaders, like the present Indian Prime Minister Manmohan Singh’s vision to continue with the structural adjustment policy in the Indian economy and the Chinese leader Hu Jintao’s determination to continue with global engagement of China.

Looking at their bilateral economic engagement for last few years, the recent initiatives in opening the disputed border for trade purposes and working together towards evolving a China-India Free Trade Area (FTA) remain some unique examples (Singh, 2005). These steps have already begun to show positive results in terms of reduction in force deployment and
peace on their borders and revival of several cottage industries amongst their overlapping border communities which augurs well for the future of Sino-Indian relations.

In particular both countries’ new generation of corporate magnets started to explore investment options. Since 2002, Indian software and information companies such as TCS, Infosys, Wipro and Satyam set up branches in China (Mukherjee and Bakshi, 2005). Zensar Technologies for instance, established a Global Development Centre in Hangzhou and trained 1,000 Chinese software project managers in India. In 2005, the influential Indian Tata holding reported to have increased its turnover in China to 200 million USD. Indian enterprises have located attractive investment opportunities in China, in areas such as pharmaceuticals, auto components, light engineering goods, automotives, financial services, besides, IT software and training. However, the process of sharing information on market, legal environment, trade policies, investment opportunities between the relevant government departments and trade bodies needs to be institutionalized (Ministry of External Affairs, India, 2005).

A deeply-embedded process of economic integration has to be based not only on both sides appreciating each other’s strengths but also being able to appreciate each other’s limitations. There is definitely need, therefore, for all confidence-building strategies to continuously make appraisal of the nature and composition of their bilateral trade and commerce and to explore fresh investment opportunities (Singh, 2005). At the Joint Communiqué of the Ninth Meeting of Foreign Ministers of India, Russia & China held on October 27, 2009 at Bangalore, India, the Ministers agreed that dialogue in areas such as global economic governance architecture, climate change, trade policy and development cooperation through interaction between research institutes, exchange of experts/specialists, training of instructors/specialists and holding joint conferences and seminars should continue to promote global peace and prosperity (Ministry of External Affairs, India, 2009).

Since the early 1980s China and India embarked on what can be broadly described as the path of “cooperative security” (Sidhu and Yuan, 2003: 115). The concept of cooperative security derives from the liberal traditionalist paradigm offering a new approach to managing security dilemmas that states face in regional and global contexts. This approach is founded on two essential arguments. First, threats to security are no longer solely military. They are increasingly diverse and multidimensional ranging from economic underdevelopment and trade imbalances, irregular migration of people and uncontrolled population growth, human rights abuses and drug trafficking, conflict over access to natural resources and environmental degradation and the most effective being the threat of terrorist attacks from unidentified elements in society. Second, the management of these emerging security issues require multilateral efforts through the processes of discussion, negotiation and cooperation between both the governmental (Track I approach) and non-governmental (Track II approach) actors.
Chinese perspectives have evolved since the end of the Cold War, as Beijing gradually accepted some of the key elements of cooperative security. These include unilateral disarmament measures such as the reduction of 1.5 million personnel from the PLA (People’s Liberation Army) between 1985 and 2000; participation in multilateral cooperative security dialogues such as the ASEAN Regional Forum and CBM (Confidence Building Measure) negotiations with India and Russia (Yuan, 2000). However, at the same time, Beijing has increased defence spending, acquired advanced Russian weaponry and modernized its nuclear forces (Lilley and Shambaugh, 1999). India’s approach to cooperative security measures and CBMs vis-à-vis China has been guided by the need to counter the diplomatic pressure exerted by the United States and the other Western powers (Chari, 1999, pp. 89-133). The Indian political leadership has been hesitant to apply CBMs and has been minimalist in embracing its scope and objectives. From the Indian perspective, CBMs are mostly conflict-avoidance measures and are predominantly declaratory in nature (Krepon, 1998).

A stable Sino-Indian relationship requires the effective management of the delicate China-India-Pakistan triangle. New Delhi remains suspicious of the Sino-Pakistani relationship and their resilient security ties, because of the Chinese decision to continue supplies of military equipment to Pakistan reinforcing the possibility of strategic encirclement of India (Tellis, 1997). While China's continuing support of Pakistan is partly motivated to contain India, it is also aimed at maintaining a stable relationship with an important Islamic country and a nuclear weapons state. By this, China would be able to retain its influence over the Islamic unrest in its own territory, especially in Xinjiang (Chung, 2002). India continues to regard Pakistan as the principal external factor in its relations with China while, China is attentive to the India-US strategic partnership and its implications for its relations with India on the other hand. Despite the remarkable improvements in bilateral relations in recent years, serious differences remain. These include the unresolved boundary issue, Tibet, and the Sino-Pakistan nexus. The boundary issue involves more than 125,000 square kilometres in disputed territories. Many seem to believe that Obama’s recent visit to India is the indicator of the forging of a strong alliance against China. Both China and India being more than 3,000 years old as nations and with more than 2,000 years of recorded contacts between them do not necessarily need to tread that path. Both have respected and trusted each other from the ancient times. Chinese society believes in maintaining order, given Confucianism’s influence and the majority Hindus of India is influenced by the concept of ‘Basudaiva Kutumbakam’ (universal brotherhood). Therefore, it is also imperative to look at the concepts and notions that shape the societal perceptions in these two countries, as the government and its policies are nothing but the reflection of the society.

It is acceptable, that as two neighbours, India and China will have their differences and they will give vent to their dissatisfaction and at times may pose to threaten each other to appease a small segment of their nationalist population, it is however unlikely that either one of them would enter into a serious strategic alliance against the other. As Professor
Chellaney continues to re-iterate (Chellaney, 2009) that if relations with China need to improve, India must have an honest and open debate on its diplomatic and military options. Zeng Jianhua, Director of Asian, African and Latin American Affairs at the Chinese People's Institute of Foreign Affairs (CPIFA) has also emphasized the need for non-governmental exchanges particularly in the cultural and media sectors, identify ways to deal with trade frictions and to explore avenues for enhancement of bilateral ties between China and India (Shen, 2010). The evolving Indo-China relationship can be described as “competition on some levels and co-operation on others,” (Bagchi, 2010) wherein some discomfort, ambivalence and hedging will always remain, despite the level of engagement.

**Conclusion**

Diplomatic meetings between the leaders of India, China and the United States in recent years have drawn worldwide attention. Although critics said that the visits were more symbolic in nature, few would question their far-reaching impact on reshaping the bilateral relationships between America and the two rising global powerhouses: China and India.

Therefore, it can be concluded that the United States remains a major factor in the evolving India-China-U.S. triangle and both India and China seeks to maximise the benefits from this bilateral relationship with the United States in the context of the present international political system. On the other hand, Washington's engagement of the world's two most populous nations, each experiencing strong economic growth and a raised profile on the international stage, is strategically significant. As the U.S. Government's National Intelligence Council pointed out earlier in 2005 in its report ‘Mapping the Global Future’, “the likely emergence of China and India as new major global players will transform the geopolitical landscape in the early 21st century” (US National Intelligence Council [online]). The Report predicting a rising Asia by 2020 points out that “China will continue to strengthen its military through developing and acquiring modern weapons, including advanced fighter aircraft, sophisticated submarines, and increasing numbers of ballistic missiles. China will overtake Russia and others as the second largest defence spender after the United States over the next two decades and will be, by any measure, a first-rate military power”. With regards to India, the Report outlines that “as India’s economy grows governments in Southeast Asia—Malaysia, Singapore, Thailand, and other countries—may move closer to India to help build a potential geopolitical counterweight to China. At the same time, India will seek to strengthen its ties with countries in the region without excluding China.”

A new, dynamic pattern of interaction has, thus, begun between the United States and Asia’s two largest continental powers. The task for all three is, therefore, to manage ties as a virtuous circle rather than a competitive triangle (Inderfurth and Shambaugh, 2005). Inderfurth and Shambaugh in their article continue to argue that there are some geopolitical
thinkers in each capital who seek to use improved bilateral relations against the third party. Some in Beijing and New Delhi see strengthened Sino-Indian ties as a constraint on American hegemony. Others in Washington and New Delhi are suspicious of China and seek to build U.S.-India relations (particularly military ties) as a strategic counterweight to growing Chinese power. While the U.S.-India and China-India relationships steadily improve, Sino-American relations seem to be entering another strained and turbulent phase in their long, chequered relationship. A new wave of anti-China acrimony is currently gripping Washington, especially in the Congress, fuelled by assertions about China's military build-up, threatened posture towards Taiwan, unfair trading practices, product pirating, human rights violations and attempted buyouts of U.S. companies. Despite these concerns, there is no turning back from the growing interdependence of the three countries, including in the vital area of energy supplies. Managing these expanding relations will increasingly be a key challenge for Washington, Beijing and New Delhi.

Given the geopolitical situation in the region and America’s continuous predominance in regional security, an inevitable question, and indeed a shared concern, for Beijing and New Delhi is that how the two bilateral relationships will affect each other. In other words, will the recent development in the US-India relations help to promote or undermine the US-China relations and vice versa? It is hard to imagine that the trilateral US-India-China relationship would evolve into the kind of ‘strategic triangle’ that was witnessed in the 1970s and 1980s between the US, China, and the former Soviet Union (Jing, 2009). The present US-China, US-India and India-China relationships are not, and will not likely be, defined by an irreconcilable, ideology-based confrontation that had existed between the United States, China and the former Soviet Union. Despite differences between their political systems, cultures, levels of economic development, and policymaking processes, the drivers of the three pairs of bilateral relationship are strategic interests rather than ideological faith, and the leaders in Washington, Beijing and New Delhi are realistic and pragmatic in their decision making.

Moreover, the growing economic integration, and hence interdependence, has made the zero-sum game between the three countries pointless. An aggressive bilateral relationship—be it the US-China, US-India or India-China against the third power would be damaging to all parties concerned. The major characteristic of this emerging strategic triangle lies in that it is still in an evolutionary phase and has not assumed a strong and mature form similar to the Sino-Soviet-U.S. strategic triangle during the Cold War. The evolving strategic triangle is also not sufficiently strong since the dominant issues in bilateral relations between two states do not directly relate to the third state (Garver, 2002). And finally, the relationship is asymmetrical as the US and Chinese apprehensions about the possible alignment of the other with India are stronger than India’s apprehensions about a potential US-China alignment. It remains to be seen how these three powers manoeuvre their positions in the triangular framework addressing the security challenges of their times.
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