

THE CHINA FACTOR: HOW BEIJING FIGURES IN THE EMERGING INDO-U.S. ALLIANCE

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Introduction

George W. Bush assumed the presidency in 2001 with the intention of deepening the relationship with democratic India. Though they are multiethnic democracies, the two countries had failed to develop much of a relationship for the better part of 50 years. The incoming Bush administration’s primary rationale was that a stronger India was in American interests because the U.S. needed a democratic counterweight to communist China. After the September 11, 2001, attacks in the U.S. and the December 12, 2001, attack on the Indian Parliament, combating a common enemy – radical Islamic terrorism – supplanted China containment as the principle rationale to strengthen the relationship.

In 2005, the two nations announced an unprecedented cooperation under which the U.S. agreed to help India boost its nuclear-energy capabilities. By then, combating global warming and helping the country of 1.1 billion people reduce its energy deficit were offered as the main rationales, supplanting China containment and terrorism. Today, the Chinese “threat” is seldom mentioned in public as New Delhi and Washington work to implement the 2005 agreement, which has run into such trouble at the Indian Parliament that it may collapse.

However, as this article will show, the Indians and the Americans have by no means given up the China containment rationale. What has changed in the past seven years is that neither side mentions China out loud. Despite the rhetoric of friendship and the articulation of common interests with the Chinese, the Indians and the Americans continue to cast a wary eye on China’s economic and military ambitions in Asia and the world. And they consider China’s ascent as a world power as a key contributory factor in seeking to draw each other into a tighter embrace.

This paper summarizes and analyzes India’s views of China since 1950, provides a snapshot of current U.S. views regarding Beijing, and explores the China dimension in the evolving Indo-U.S. partnership of today. It will show how the Indians and the Americans continue to be worried about the role China will and seeks to play in the global order, and that they have embarked on a policy of cooperation and engagement with Beijing in public but a strategy of containment in private.

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Indian view of China under Nehru

Jawaharlal Nehru, sovereign India's first prime minister (1947-1964), believed that India and China were great powers whose collective strength would lead to an "Asian resurgence" to counterbalance U.S.-Soviet bipolarity during the Cold War years.¹ India became one of the first countries to recognize the People's Republic of China, established by Mao Tse-tung after his communist forces ousted nationalist leader Chiang Kai-Shek in 1949. In 1950, China annexed Tibet by force and later made it the Xizang Autonomous Region, but India did not protest much despite having been granted special privileges in Tibet by the British colonial government.²

Prime Minister Nehru overlooked the annexation in the interest of the larger partnership he desired with India's northern neighbor. He embarked on a policy of reconciliation, which he called the Panchsheel, or five principles, which became part of the April 29, 1954, Tibet agreement between the two nations. Those principles were: Mutual respect for each other's territorial integrity; mutual non-aggression; mutual non-interference in each others' internal affairs; equality and mutual benefit; and peaceful co-existence.³

Furthermore, Chinese Premier Zhou Enlai visited India in June 1954 and Nehru paid a reciprocal visit in October of that year. The catch phrase in India throughout the 1950s was "*Hindi-Chini-Bhai-Bhai*" (Indians and Chinese are brothers).⁴ Yet, in 1959, facing continued repression from Beijing, the Dalai Lama, Tibet's spiritual head, sought sanctuary in Dharmasala, India, where he and thousands of Tibetan refugees remain.

As later events demonstrated, Nehru was wrong to believe that Panchsheel would serve as the template to revive and strengthen Sino-Indian ties. For one, the dispute over India's northeastern border did not die down. In 1959, China claimed 40,000 square miles of Indian territory and argued that it never accepted the British-era boundary between India and Tibet.⁵ Zhou sought border "rectification," telling the Indians he would give up China's claims on much of India's northeastern territory if New Delhi would relinquish the Akshai Chin region in the India's Ladakh province. The Indians rejected it as a humiliating offer. After the Indians discovered a secret Chinese road within Akshai Chin, the two armies had frequent skirmishes across the disputed boundary.⁶

On October 10, 1962, Chinese forces launched two massive waves of attacks on the ill-prepared and lightly equipped Indian troops, driving them deep inside India's northeastern region before declaring a unilateral ceasefire the following month. The Soviets, who had developed good relations with Nehru by then, suspended military sales to India to support their Chinese

¹ Jyotindra N. Dixit, 2000. *Ultimate Idealist: Jawaharlal Nehru*. In India Today magazine's series online, "100 People Who Shaped India." www.india-today.com/itoday/millennium/100people/nehru.html, accessed September 13, 2007.

² John D. Rogers, The Library of Congress (LOC). *A County Study: India*. 1995. <http://lcweb2.loc.gov/frd/cs/intoc.html>, accessed September 27, 2007.

³ Jawaharlal Nehru, *India's Foreign Policy: Selected Speeches, September 1946-April 1961*. New Delhi, India: Ministry of Information and Broadcasting, Government of India, 1961. p. 99

⁴ Rogers, LOC

⁵ *ibid.*

⁶ *ibid.*

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communist “brethren,” even though Moscow and Beijing were embroiled in a dispute over who was the rightful heir of the worldwide Marxist movement.⁷

Prime Minister Nehru was surprised when U.S. President John F. Kennedy sent the aircraft carrier *USS Enterprise* from Hawaii to India’s Bay of Bengal in a show of support for India. It was the first instance of the U.S. taking overt action to support India against China. The Kennedy administration, which had clashed publicly with Prime Minister Nehru a year before the war, quickly provided a small defense-aid package to India that included light arms, automatic weapons and winter clothing⁸. Pleased and eager for more military aid, Prime Minister Nehru sought bombers and fighter planes. By November 1963, Washington had prepared a \$373 million military package for India, but that was never to materialize due to Kennedy’s assassination on November 22, 1963.⁹ On May 27, 1964, Prime Minister Nehru suffered a heart attack and died; India’s humiliating defeat in 1962 is said to have hastened his death as he felt betrayed by the Chinese leadership.

China nuclear tests and India’s nuclear program

By 1953 China began research to establish a weapons program and conducted its first test in Lop Nor on October 16, 1964.¹⁰ India’s defeat in 1962, combined with China’s nuclear explosion two years later, intensified New Delhi’s quest to become a nuclear-weapons state.

The first evidence of Washington’s view of India as a potential partner to contain China came in a September 1961 State Department memo, which was written by George McGhee, the assistant secretary of state for planning, and addressed to Secretary of State Dean Rusk.¹¹ Writing that India was on the verge of accumulating enough fissionable material to conduct a nuclear explosion, McGhee went on to say that if the U.S. could not prevent additional nations from becoming nuclear weapons states, “we ought to prefer that the (next) one be India and not China.”¹² But no concrete action resulted from the memo because of Washington’s perception that Prime Minister Nehru would oppose efforts to arm India.

India had long sought atomic energy for peaceful purposes. Prime Minister Nehru had articulated the need for it since before Indian independence. As part of President Dwight Eisenhower’s “Atoms for Peace” program, the U.S. in 1950 began supplying fuel and the equipment for a

⁷ *ibid*

⁸ Dipankar Bannerjee, p. 65. “An Overview of Indo-U.S. Strategic Cooperation,” In *US-Indian Strategic Cooperation Into The 21st Century: More Than Words*, eds. Sumit Ganguly, Brian Shoup and Andrew Scobell. New York: Routledge, 2006.

⁹ *ibid*

¹⁰ Federation of American Scientists, <http://www.fas.org/nuke/guide/china/nuke/index.html>, accessed November 15, 2007.

¹¹ Amitabh Mattoo, p. 214. “Shadow of the Dragon: Indo-US Relations and China.” In *Engaging India: U.S. Strategic Relations with the World’s Largest Democracy*. eds. Gary K. Bertsch, Seema Gahlaut, and Anupam Srivatsava. New York: Routledge, 1999.

¹² *Ibid*, 215

lightwater power reactor in Tarapur, which became India's first operational nuclear power plant 19 years later.¹³

However, after the 1964 Chinese test, India's drive to pursue the military applications of nuclear energy "gained coherence" as the Indians embarked on a covert weaponization program of their own, even as they unsuccessfully sought protection from the U.S., the Soviet Union and Great Britain in case the Chinese launched a nuclear attack on them.¹⁴

Around this time, China began providing tanks, ships, planes, missiles, and weapons technology to Pakistan, India's arch-nemesis. Additionally, when India and Pakistan in 1965 waged their second war over the disputed Kashmir province – their first was in 1948, which established the still-disputed Line of Control separating the Indian and Pakistani portions of the Himalayan province – China conveyed an ultimatum to New Delhi.¹⁵

India, which had considered China and Pakistan as separate threats, now came to see a greater conjoined threat because of the Sino-Pakistan linkage. Partly because they felt under siege from two of their neighbors, the Indians refused to endorse the 1968 Non-proliferation Treaty (NPT).^{*} Under the NPT, Big Three nuclear powers of the time – the U.S., the Soviet Union and Great Britain – gave assurances that they would work through the United Nations Security Council to foil nuclear attacks on countries that lacked nuclear weapons. But the latter had to accept safeguards from the International Atomic Energy Agency (IAEA) to assure the world that fissionable material was being used only for peaceful purposes such as electricity generation and not to make weapons.¹⁶

Given its threat perceptions, and its long-standing desire for self-sufficiency in economic and security matters, India's general nuclear policy was – and remains – to resist pressure to endorse non-proliferation pacts so that it could retain the option of developing nuclear weapons.¹⁷

India continues to object to the NPT, which remains in effect to this day, on grounds that it divides the world into nuclear "haves" and "have nots," and allowed the former to lord over the latter. New Delhi argued that the NPT sought to curtail proliferation only by non-nuclear states while allowing the Big Three to retain their cache; that is, the treaty failed to end the global arms race, eliminate current stockpiles, and ban future testing as Prime Minister Nehru had urged in 1950s. India also thought it discriminatory that only non-nuclear states had to institute the IAEA safeguards while the big three did not. Lastly, India objected to provisions that obligated nuclear powers to prevent attacks only on those non-nuclear states that signed the NPT.¹⁸

¹³ Shirin R. Tahir-Kheli, p. 71. *India, Pakistan and the United States: Breaking with the Past*. New York, New York: Council on Foreign Relations Press, 1997.

¹⁴ P.R. Chari, p. 11. *Indo-Pak Nuclear Standoff: The Role Of The United States*. New Delhi, India: Centre for Policy Research, 1995.

¹⁵ *Ibid*, 27

^{*} The NPT took effect in 1970.

¹⁶ Shelton L. Williams, pp. 3-4. *The U.S., India And The Bomb*. Baltimore, Maryland: The Johns Hopkins Press, 1969.

¹⁷ Chari, p. 15

¹⁸ *ibid*, pp. 14-15

On March 9, 1992, Beijing joined the NPT. In its statement of accession, China called on nuclear weapons states to develop no-first use policies, to refrain from using atomic weapons against non-nuclear states, help establish nuclear-free zones, withdraw atomic weapons deployed outside their boundaries, and called on space states to refrain from developing nuclear weapons that could be used from outer space.¹⁹

India's nuclear tests

On May 18, 1974, India conducted its first atomic test in Pokhran, a sparsely populated village in the desert state of Rajasthan. India maintained that the test was intended to study the peaceful applications of nuclear energy, but the world did not believe that claim.²⁰ Though the test itself was insignificant, it had a high symbolic value in that the Indians proved to themselves – and to Pakistan and China – that they were capable of defending themselves with nuclear power if necessary. However, possessing the means to develop a single crude device hardly proved that India had the political will or the technological means to eventually match the Chinese arsenal.

On May 11, 1998, India conducted the second round of underground nuclear tests in Pokhran, the site of the 1974 explosions, reversing the reluctance that Nehru's Congress Party displayed toward testing so as to prevent India from becoming a pariah. The explosions vaporized thousands of tons of rock and lifted an area the size of a football field. Prime Minister Atal Bihari Vajpayee announced that Indian scientists had tested a fission device, a low-yield device, and a thermonuclear device.²¹ The Indians conducted two additional tests on May 13. Thus, India officially became the world's sixth nuclear-armed nation after the U.S., Russia, China, France and Great Britain. Prime Minister Vajpayee adopted a doctrine under which India would not deploy its atomic weapons first.

A few days before the tests, Indian Defense Minister George Fernandes had accused Beijing of building a helicopter landing pad near the Indo-Chinese border, positioning intelligence assets on Burmese territory in the Bay of Bengal, and moving missiles carrying nuclear weapons and directed at India into Tibet.²² Soon after the explosions, Prime Minister Vajpayee alluded to China as the primary reason for the explosions, writing to President Clinton in a letter later leaked to The New York Times that India conducted the tests because of a "deteriorating security environment" caused by China's nuclear technology transfers to Pakistan.²³ Beijing dismissed both sets of claims as baseless, and condemned the tests as dangerous for Asian and global security.

¹⁹ Nuclear Threat Initiative. <http://www.nuclearthreatinitiative.org/db/china/nptchr.htm>, accessed November 18, 2007.

²⁰ Ibid. p. 5

²¹ Strobe Talbott, p. 49. *Engaging India: Diplomacy, Democracy and the Bomb*. Washington D.C.: Brookings Institution Press, 2006.

²² Howard Diamond, May 1998. "India Conducts Nuclear Tests; Pakistan Follows Suit." In *Arms Control Today*. http://www.armscontrol.org/act/1998_05/hd1my98.asp, accessed November 18, 2007.

²³ The New York Times, May 12, 1998. "Indian's Letter To Clinton On The Nuclear Testing." Accessed via the Nexis database on November 19, 2007.

Prime Minister Vajpayee's letter did not explicitly name China or Pakistan, but the context makes it clear which countries India considered its principal threats:

We have an overt nuclear weapon state on our borders, a state which committed armed aggression against India in 1962. Although our relations with that country have improved in the last decade or so, an atmosphere of distrust persists mainly due to the unresolved border problem. To add to the distrust that country has materially helped another neighbour of ours to become a covert nuclear weapons state. At the hands of this bitter neighbor we have suffered three aggressions in the last 50 years. And for the last ten years we have been the victim of unremitting terrorism and militancy sponsored by it in several parts of our country, specially Punjab and Jammu & Kashmir. Fortunately, the faith of the people in our democratic system as also their patriotism has enabled India to counter the activities of the terrorists and militants aided and abetted from abroad. The series of tests are limited in number and pose no danger to any country which has no inimical intentions towards India. We value our friendship and cooperation with your country and you personally. We hope that you will show understanding of our concern for India's security. I assure you that India will continue to work with your country in a multilateral or bilateral framework to promote the cause of nuclear disarmament. Our commitment to participate in non-discriminatory and verifiable global disarmament measures is amply demonstrated by our adherence to the two conventions on Biological and Chemical Weapons. In particular we are ready to participate in the negotiations to be held in Geneva in the Conference on Disarmament for the conclusion of a fissile material cut-off treaty.²⁴

The U.S. was caught unawares by the tests. The Central Intelligence Agency (CIA) had an inkling that the Indians were up to something, but did not know that tests were imminent. However, villagers in Pokhran had known about the tests for weeks and advance word was also carried in a Sikh community newspaper in Canada.²⁵ Twenty-four hours after the first three blasts, President Clinton opened a White House meeting to discuss the tests, promising to “come down on those guys like a ton of bricks.”²⁶ President Clinton believed that Prime Minister Vajpayee and his Bharatiya Janata Party (BJP) had torn a hole in the global non-proliferation blanket, made South Asia the potential flashpoint for the world's first nuclear conflict, and had dashed his hopes for continuing the improvement in Indo-U.S. ties under his watch.²⁷ President Clinton unveiled a sanctions package, which included ending defense sales to India, denying export licenses for munitions, refusing credit and loan guarantees, opposing India-specific loans and other assistance from the International Monetary Fund and other institutions, and terminating or suspending most bilateral assistance programs.²⁸ But President Clinton lifted those sanctions shortly before visiting India in 2000, citing India's restraint during a 1999 border conflict with Pakistan. That visit is widely credited for having sparked a significant and continuing warming trend in Indo-U.S. relations.

China containment and India's help: Changing views under Bush

When George Bush was still in Texas, campaigning to become the 43rd president, his then-foreign policy adviser, Condoleezza Rice, explained the Texas governor's approach to international relations in a 2000 article in *Foreign Affairs*. Criticizing President Clinton's

²⁴ ibid

²⁵ Talbott, p. 50, as quoted in a Sikh Newspaper

²⁶ ibid, p. 52

²⁷ ibid

²⁸ ibid, 53

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approach to international relations as reactive and episodic – “crisis by crisis, day by day” – Rice called for a muscular foreign policy aimed at identifying and promoting American interests around the world.²⁹ Even as she advocated “comprehensive relationships” with the “big powers” – China and Russia – Rice wrote that Washington should not neglect India. Linking India with China, she said the U.S.:

“... Should pay closer attention to India's role in the regional balance. There is a strong tendency conceptually to connect India with Pakistan and to think only of Kashmir or the nuclear competition between the two states. But India is an element in China's calculation, and it should be in America's, too. India is not a great power yet, but it has the potential to emerge as one.”³⁰

That article was notable because it encapsulated what were to become President Bush's broad foreign policy goals in general, and eviscerated most of his predecessor's priorities, including getting India to sign the global nonproliferation regime. In arguing for a new U.S. approach to world affairs in a globalized world, that is, one in which trade and commerce linked countries far and near, Rice signaled that George Bush would adopt and expand only one of outgoing President Clinton's goals – strengthening relations with India, which by then was clearly emerging as an important economic player by virtue of its 1991 economic reforms and subsequent position as a leader in the global software industry. Rice's suggestion that the U.S. should make India a partner to contain China demonstrated that President Bush was willing to relegate to the backburner Indo-Pakistan tensions over Kashmir and redefine the terms of the Indo-U.S. relationship.³¹ She sent another message as well: that President Bush was willing to “marginalize” India's nuclear program in order to include the country in America's new China containment plan.³²

After the 9/11 terrorist attacks, President Bush's foreign policy was focused on battling global terrorism, which led to a redefinition and enhancement of the Indo-U.S. relationship. On December 13, 2001, five gunmen wearing military-style fatigues attacked the Indian Parliament building after slipping through security; one man blew himself up and the other four died in a gun battle with the police. No Indian lawmaker was hurt. That attack brought India and Pakistan once again to the brink of war. Their 1,800-mile border was shut down shortly after the attack, diplomatic ties were severed, and India initiated a massive troop deployment along the line of control. Nearly a million Indian and Pakistani troops stood “eyeball-to-eyeball” along the boundary, prompting fresh fears of the world's first nuclear war.

In March 2005, Rice, who by then had become the secretary of state, visited India to lay the groundwork for President Bush's visit in March 2006, his first to India. Rice arrived in New Delhi with offers aimed at taking the Indo-U.S. relationship to a new height. The U.S. was prepared to amend the Atomic Energy Act of 1965 to help India procure nuclear energy for civilian purposes, marking a “major breakthrough” because the “nonproliferation fraternity” – career members of the State Department, who had held sway under former President Clinton –

²⁹ Condoleeza Rice, 2000. “Promoting the National Interest.” In *Foreign Affairs*. January-February 2000. New York, N.Y.: Council on Foreign Relations. Article was accessed on October 28, 2007, via the Lexis Academic database.

³⁰ Ibid

³¹ Itty Abraham, p. 11. “*Origins of the United States-India Nuclear Agreement.*” Washington, D.C.: East-West Center. May 2007.

³² Ibid, p. 120

had objected to such a deal throughout President Bush's first term³³. Washington also was interested in commencing long-term cooperation with India's space program; prepared to sell F-16 and F-28 fighter aircraft, and was open to entering into "co-production and licensing agreements" for those planes and other advanced weapons systems; committed to procuring for India a bigger role in international institutions, including supporting India's long-held desire to become a permanent member of the U.N. Security Council; and work toward India's admission into the G-8.³⁴ But by 2005, U.S. views of India's role in containing China had undergone some updating, as evidenced by these observations from Robert Blackwill: (US Ambassador to India during George Bush's first term)

Like some in Washington, India is enormously attentive to the rise of Chinese power. Let me make clear, however, that this will not lead to joint U.S.-Indian containment of the PRC. Worrying that this could be self-fulfilling, no Indian politician of any consequence supports such a policy. But it does mean this: Behind the elevated rhetoric that emits from New Delhi regarding relations between India and China, the Indians understand better than most that Asia is being fundamentally changed by the weight of PRC economic power and diplomatic skill. In the short term, the Indian military is not alarmed with China's military buildup because it is primarily focused on the Taiwan Strait. However, the Indians have noticed that China is also constructing airfields in Tibet, which is not especially near the Taiwan Strait. China is also assisting in the construction of a major port in Pakistan and is deeply involved in Myanmar. So India's military leadership has to be concerned about what might happen if China were to move in a hostile direction. They earnestly hope that it will not – and expect their political leaders to craft a strategy that makes any sort of confrontation unlikely.³⁵

India, China, the U.S. and the future

A growing body of literature is devoted to the rise of India and China as world powers; most studies discuss both countries in tandem and predict that they will become the leaders of what is bound to become the Asian century. Because the economic rise of India and China has been thoroughly covered, it will not be explored here. Suffice it to say that India lags China in virtually every indicator, but its economy is expected to grow faster over the long run compared to China.

One particularly influential study within the Bush administration sketched the state of the world in 2020. Prepared by the National Intelligence Council (NIC), the study found that the collective rise of China and India would have worldwide effects comparable to the impact that the rise of the U.S. had during the 20th century. According to the NIC:

"A combination of sustained high economic growth, expanding military capabilities, and large populations will be at the root of the expected rapid rise in economic and political power for both countries. ... How China and India exercise their growing power and whether they relate

³³ Robert Blackwill, 2005. "The India Imperative: A Conversation with Robert D. Blackwill." *The National Interest*. Summer 2005. http://findarticles.com/p/articles/mi_m2751/is_80/ai_n15786857/pg_1, accessed November 18, 2007.

³⁴ Ibid

³⁵ Ibid

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cooperatively or competitively to other powers in the international system are key uncertainties.”³⁶

Given that globalization will continue to accelerate – that is, there will be an ever-intensifying flow of information, technology, capital, goods, services and people – and India and China are bound to continue to capitalize on this trend, the U.S. may find itself cast more and more as an intermediary between the two powers. The other possibility is that Washington could become “increasingly irrelevant.”³⁷ Under such a scenario, some analysts argue it is logical for the U.S. to seek closer ties with India, the only democracy in southern Asia. According to a 2003 report by the Institute of Peace and Conflict Studies (IPCS), an influential think tank in New Delhi with ties to India’s defense establishment, democracy is the only viable political system for multicultural and multiethnic countries like the U.S. and India. Suppressing dissent, stifling minorities, and censoring diverse views would eventually cause the society to crumble as fragmented groups fight for political control. Seen from that perspective, China and Pakistan are in trouble, whereas India would endure, despite its raucous democracy. As the IPCS report put it:

“The inability of Pakistan to sustain democracy and its use of cross-border terrorism ... will not contribute to peace and stability in South Asia. China’s policy of promoting economic growth while discouraging plurality in its political system places it in a similar category of non-democracies.”³⁸

Heightened U.S. economic engagement with India comes at a time when it is widely believed that the India’s gross domestic product (GDP) will continue to grow faster than any other nation’s – including China’s – for years to come. According to a widely cited Goldman Sachs report, the combined economies of Brazil, Russia, India and China – the so-called BRICs – would outstrip within 40 years the aggregate economic size of the world’s six wealthiest countries of today³⁹. Of the BRICs, India’s GDP expansion is expected to be the largest by 2045, as shown in the next table. However, India’s per capita income would still greatly lag that of the U.S. by 2050 – about \$17,000 a year for the former compared to nearly \$84,000 in the latter, making the U.S. still the wealthiest nation by the mid-point of this century⁴⁰.

Table 1 – Average GDP Growth In BRIC Economies

Years	Brazil	China	India	Russia
2000-05	2.7	8.0	5.3	5.9
2010-15	4.2	7.2	6.1	4.8
2020-25	3.7	4.6	5.7	3.4
2030-35	3.9	3.9	6.1	3.1
2040-45	3.6	3.5	5.6	2.2

(Note: Growth is in percentage terms. Adapted from “*Dreaming of BRICs*, p. 8)

³⁶ National Intelligence Council, p. 9. *Mapping The Global Future*. Washington, D.C.: The Central Intelligence Agency, December 2004.

³⁷ *Ibid*, p. 116

³⁸ Institute of Peace and Conflict Studies, p. 12. *India-US Relations: Promoting Synergy*. New Delhi, India: IPCS, February 2003.

³⁹ Dominic Wilson and Roopa Purushotaman, p. 2. “*Dreaming with BRICs: The Path to 2050*.” Goldman Sachs; Global Economics Paper No. 99. New York, N.Y., October 1, 2003.

⁴⁰ *Ibid*, p. 9

The nuclear deal, China's stance, and implications for Indo-U.S. relations

When President Bush began his second term, the nuclear issue still loomed large in the Indo-U.S. relationship, and New Delhi's refusal to sign the NPT remained a major stumbling block that led many to continue to insist on isolating India on nuclear matters. President Bush told Indian Prime Minister Manmohan Singh, when the latter visited Washington in 2005, that the U.S. was prepared to help India's civilian nuclear program in an unprecedented way, though not its military one⁴¹. President Bush offered to help India build new nuclear power plants and provide the latest nuclear technology and fuel to run them.

In July 18, 2005, President Bush conducted his first visit to India to finalize the U.S.-India Civil Nuclear Cooperation Initiative, whose details were spelled out in March of the following year. The deal requires India to open up 14 of its 22 nuclear reactors to inspections by the International Atomic Energy Agency (IAEA), but a prominent proponent argued that within a generation 90 percent of India's reactors would be open for inspection.⁴² Though the nuclear aspect occupied marquee status – and continues to generate the most controversy in India and the U.S. – the pact spelled out cooperation in agriculture; space; defense; global warming (neither India nor the U.S. have signed the Kyoto climate change accord); intellectual property; health, including the spread of HIV/AIDS; education⁴³. China's opposition to the deal has sparked new tensions between Beijing and New Delhi.

The Chinese argued that the deal would “destroy” nonproliferation efforts and urged India to eliminate its nuclear weapons and sign the NPT as a non-nuclear state.⁴⁴ China is not prepared to accept any challenge to its status as the sole Asian nuclear weapons state and as the sole Asian permanent member of the Security Council, nor does it plan to allow any other state to challenge its predominant status in the Asia-Pacific region.⁴⁵ The Chinese also argued that the U.S., by making an exception to “accommodate” India, was an example of a “double standard” that would complicate the efforts to bring Iran (an NPT signatory) and North Korea into the non-proliferation regime.⁴⁶ Further, the Chinese threatened to make exceptions to their own friends – Pakistan, Iran, Bangladesh, and Burma – if the Indo-U.S. deal goes through.⁴⁷

⁴¹ Nicholas Burns. “America's Strategic Opportunity with India: The New U.S.-India Partnership.” In *Foreign Affairs*, November/December 2007. New York, N.Y.: Council on Foreign Relations.

<http://www.foreignaffairs.org/20071101faessay86609/r-nicholas-burns/america-s-strategic-opportunity-with-india.html>, accessed October 18, 2007

⁴² *ibid*

⁴³ The White House, 2006. <http://www.whitehouse.gov/news/releases/2006/03/20060302-13.html>, accessed November 5, 2007.

⁴⁴ Mohan Malik, March 29, 2006. “China Responds To The U.S.-India Nuclear Deal.” Vol. 6, Issue 7, The Jamestown Foundation.

http://www.jamestown.org/publications_details.php?volume_id=415&issue_id=3670&article_id=2370926, accessed November 19, 2007

⁴⁵ *ibid*

⁴⁶ *ibid*

⁴⁷ *ibid*

However, they may not have to worry because the deal may collapse in the Indian Parliament. Though the Parliament is not required to vote on the deal – as the U.S. Congress did, favorably by large margins in the House and the Senate in 2006 – Prime Minister Singh’s Congress Party-led coalition government is in danger of collapsing in the face of trenchant opposition from its Leftist allies, who argue that the deal would compromise India’s sovereignty. If the Leftists pull out, Prime Minister Singh’s government would lose the majority status, thereby triggering new elections in which the Congress Party’s chances of victory are uncertain. India’s communist parties are “doing the bidding of Beijing,” in the view of one observer, who went on to say, “Beijing couldn’t have a better representative in India.”⁴⁸

Contemporary Indian and U.S. views of China

But such strident views of China do not appear to have taken root in the Singh government. Even as they attempt to save the deal, Indian government officials say that the U.S. should not push to get the agreement implemented with the expectation that India would serve as China’s counterweight.⁴⁹ Such a view, they say, is simplistic in light of the fact that India and China have co-existed for thousands of years. Furthermore, countering each other would hurt the friendly economic competition between the two giants in a world where there is ample room for growth. India seeks the nuclear deal for its own energy requirements now and in the future, with little concern about China’s ambitions. With global warming becoming a major world concern, India and the U.S. believe that nuclear energy is clean energy and a partnership that would allow India to generate lesser and lesser energy from fossil fuels such as coal would benefit the world at large.⁵⁰ Under that construct, global warming, not China, becomes the main rationale for Indo-U.S. ties, which are stronger now than in the 60 years since India gained independence.

Some observers dismiss such sentiments as overly sunny. The reality, as they see it, is that India cannot take Chinese cooperation and friendship for granted, and neither can the U.S. Though the current U.S. president has dramatically improved the Indo-U.S. relationship by invoking the need to jointly combat global warming with the world’s largest democracy, the fact is containing China is of paramount concern in New Delhi and Washington.⁵¹ Publicly, the Indians now say – in contrast with 1998, when former Prime Minister Vajpayee alluded to China as a key reason for the nuclear tests in Pokhran –they are friendly with the Chinese, but they are nevertheless preparing to quell Beijing with U.S. help. For instance, the October 2007 Malabar joint naval exercises included Indian, American and Japanese ships and personnel but pointedly excluded the Chinese; additionally, the rescue efforts following the 2004 Asian tsunami also excluded the Chinese navy.⁵² It is plain to see that the Indians are developing nuclear weapons to counter China, because Pakistan “can be taken care of with conventional weapons.”⁵³

⁴⁸ Sumit Ganguly, Rabindranath Tagore Chair in Indian Cultures and Civilizations, Indiana University in Bloomington; in a telephone interview with the author on November 15, 2007.

⁴⁹ Based on an October 29, 2007, interview with an Indian official who sought anonymity.

⁵⁰ *ibid*

⁵¹ Ganguly, in the interview with the author

⁵² *ibid*

⁵³ *ibid*

Current U.S. views of China are also mixed. On the one hand, as a Pentagon report indicates, the Americans welcome Beijing's rise as a "regional" political and economic power and view the latter's global aspirations with trepidation.⁵⁴ While the U.S. wishes to see the rise of a "peaceful and prosperous" China, Washington also wants Beijing to be a "responsible international stakeholder," but remains uncertain of China's true intentions.⁵⁵ Referring to China's January 2007 shutdown of a satellite using a "direct-ascent, anti-satellite weapon" significantly raised the level of worry in Washington.⁵⁶ As the report puts it:

The pace and scope of China's military transformation has increased in recent years, fueled by continued high rates of investment in its domestic defense and science and technology industries, acquisition of advanced foreign weapons, and far reaching reforms of the armed forces. ... The outside world has limited knowledge of the motivations, decision-making, and key capabilities supporting China's military modernization. China's leaders have yet to explain adequately the purposes or desired endstates of the PLA's expanding military capabilities.⁵⁷

Sino-Indian relations have expanded steadily since the 1998 Indian tests, though the original impetus came from Indian Prime Minister Rajiv Gandhi's China visit in 1988. In 1984, the two nations signed a trade agreement and full-scale trade relations were restored a decade later. Both countries have also exhibited congruence in positions they have taken at the Security Council and the World Trade Organization.⁵⁸ During Chinese Premier Wen Jiabao's 2005 visit to India, the two nations announced a new partnership to boost bilateral economic trade. Now, China is India's third largest trading partner, behind the U.S. and the United Arab Emirates, with trade flows rising to a combined \$13.6 billion in 2004.⁵⁹ Yet, their border dispute, which caused the 1962 war, remains. On the eve of President Hu Jintao's visit in October 2006, Chinese Ambassador Sun Yuxi told Indian reporters: "... the whole of what you call the state of Arunachal Pradesh is

Chinese territory ... we are claiming all of that – that's our position."⁶⁰

Conclusion

As this paper demonstrates, Sino-Indo relations got off to a promising start in 1950, but were seriously frayed in 1962, culminating in a war in which India suffered a decisive defeat. That event, combined with China's nuclear tests of 1964, prompted India to begin its own nuclear weapons program. The Indian atomic tests of 1974, and particularly the second round of explosions in 1998, were conducted expressly to safeguard against China. When the younger Bush assumed office, his administration publicly declared that China must be contained and India should be strengthened to serve as the communist country's democratic counterweight.

⁵⁴ U.S. Department of Defense, p. 5. *Annual Report To Congress: Military Power of the People's Republic Of China, 2007*. <http://www.fas.org/nuke/guide/china/dod-2007.pdf>, accessed November 19, 2007.

⁵⁵ *ibid*

⁵⁶ *ibid*

⁵⁷ *ibid*

⁵⁸ Ace Global Online; <http://www.aceglobalonline.com/china.pdf>, accessed November 19, 2007.

⁵⁹ *ibid*

⁶⁰ Ambassador Sun Yuxi as quoted in the Defense Department Annual Report of 2007, p8

The China Factor: How Beijing Figures in the Emerging Indo-U.S. Alliance

Though the rationale for stronger Indo-U.S. ties has since taken on different dimensions – combating global terrorism and then curbing global warming – this article shows that China continues to figure prominently in Indian and American strategic thought.

With the demise of the Soviet Union, China has become America's top threat. Unlike the Soviet Union, however, China is seen as a competitor in both the economic and strategic arenas. With the rise of India's economy following New Delhi's landmark 1991 economic reforms, the Indians have begun to view themselves as capable of, at long last, implementing Jawaharlal Nehru's dream of becoming a world power. However, their economy is one-twentieth the size of China's at the moment, though, as this paper shows, the Indian GDP is expected to grow at a more rapid pace over the next few decades.

That the Americans have serious issues with the Chinese over issues such as human rights and trade imbalances is well known; it is also common knowledge that the U.S. trade deficit with China will continue to swell in the years to come. What is less publicly articulated is the fact that the Americans are increasingly coming to view the Chinese as a military threat as well in Asia and beyond.

Despite boosting their economic relationship with the Chinese, the Indians continue to regard their northern neighbor as a potential hegemon. As it is the Indians feel that the Chinese cannot be trusted when it comes to territorial issues; the fact that the Chinese continue to lay claim over Indian territory continues to bedevil the Sino-Indian relationship, though that dispute is glossed over in the interest of promoting the larger relationship. It is not that the Indians do not include China in their strategic thinking; it is that they do not want to be used by the U.S. principally to contain the communist nation. India has long argued for a relationship with the U.S. on its own terms; that is, New Delhi has long sought bilateral ties purely to bring together the world's most powerful democracy and the world's biggest one in population terms. However, as this article points out, neither democracy is prepared to overlook China's strategic and economic ambitions in Asia and the world at large – at least, not yet.