

Contesting Asia-Pacific: The United States of America, China and India

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Introduction

Asia is the “cockpit of great power politics”¹, and this contest will play around three parallel important relationships, viz., Sino-Indian, Sino-US and Indo-US relations. Other powers will form the backdrop around which this triad will play out. Tilting of one relationship either way could alter the Asian systemic balance. Two developments posit a defining trend in the triad of relations; one is Indo-US relations, especially in post-nuclear deal period, and the other is growing convergence between the USA and China. Deepening of Sino-US relations and Indo-US relations have an element of contradiction at systemic level; it is interesting to see how this is managed or plays itself out. Sino-Indian relations have improved considerably, yet the relations work under the overall atmosphere of rivalry and distrust. It is unlikely that this would go away in the near future.

This paper aims at exploring the nature and objectives of the three nations inter se relations and their rivalry in the Asia-Pacific region. They cannot formulate their Asian Security policies without taking each other into account. The peculiarity of their relationship is that they try to determine not only their own individual relationships but also strive to influence the policies of other countries also, especially in Asia. China wants to restrict India to South Asia. The USA wants to help India acquire its rightful position in the global affairs. However, it will take shape in a medley of American engagement in Asia – an interesting scenario which merits exploration. The close economic relationship between the sole super power the USA and rising power China will have a critical impact on the present global economic crises. India is reaping strategic consequences of economic growth, albeit diminished by recent global economic crisis.² The economic growth is engendering an “irresistible global power shift to East” constructing a new Asian hemisphere.³ It is notable that these positive trends are taking place in Asia-Pacific. Asia-Pacific accounts for nearly half of the global Gross Domestic Product (GDP) and in post-1990 period majority of the world economic growth has taken place.

Asia-Pacific is a loose geographical term which, generally, refers to littoral countries of the Pacific – the USA, China, Japan, Russia and Australia are its prominent constituents. India constituting a part of the Asia-Pacific is a matter of debate. India is seen as an Indian Ocean power. The American Pacific Command includes India as an area of responsibility. Asia Pacific Economic Cooperation (APEC) does not include India, but informal Council for Security Cooperation in Asia Pacific (CSCAP) includes it. Regions are a construct, made by practices of states and non-state actors (amity and enmity).⁴ Regions are in continuous state of formation. The inter se economic and security relations between the USA, China and India have become entwined in Asian geo-politics and cannot be discussed without considering each other’s interests.

Sino-Indian Relations

If one word is to be used to characterise Sino-Indian relations, it would be 'rivalry'. Both China and India are ancient civilisations, with cultural and strategic influence spreading outside their territories. In the post-1962 period, India has been trying to salvage this relationship. The trade between the two countries has increased manifold from around \$ 12 billion in 2007 to \$ 40 billion in 2009. Border trade between the two has started at Nathu La Pass. China has given de-facto recognition to Sikkim as Indian territory. Further, the relations are marred by repeated border intrusions, raising suspicion regarding Chinese intentions and objectives. Arunachal Pradesh has become a sore point in bilateral relations. China earlier opposed Asian Development Banks granting of loan for projects in Arunachal Pradesh arguing it to be disputed.

In public pronouncements, China and India maintain that Asia has enough space to accommodate the ‘rise’ of both the countries. However, China continues to be “tactically offensive”, to alter the criterion on which to settle the border dispute. China is constraining India in its own backyard South Asia. China has set-up a number of naval bases around India. The Chinese help in augmenting Pakistani capabilities is immense. China is involved in setting-up of Gwadar port, which is a strategic location for the Chinese navy, close to the Strait of Hormuz. China’s naval presence has extended to countries like Bangladesh’s Chittagong port, Hambantota port of Sri Lanka, Marao port of Maldives and Hianggyi and Coco Islands in Myanmar. In a nutshell, China’s expanse in the Indian Ocean region is tremendous. China’s growing closeness with the political forces in Nepal is worrying India.

India’s foray in South East Asia through “Look East” policy was a handmaiden of its economic policy. India joined Association of South East Asia Nations (ASEAN) Regional Security Forum in 1996. It was an attempt at balancing rising China. India also became a part of East Asia Summit in an attempt to hedge against China. However, the most important country which would be helpful in hedging China, the USA is not part of the East Asia Summit. India’s forays in security related issues in South East Asia had aimed to counter China’s rise, and to project itself in the wider Asia-Pacific region. ASEAN countries were also apprehensive of China’s growth and wanted to hedge in, wherein India could be an important balancer. Yet, the most important balancer in the region is the USA, which provides confidence to East Asian states to engage China.

In the early 1990s there was much apprehension in South East Asian countries over Chinese strategic behaviour. By now “China fear” syndrome has turned into “China fever” syndrome.⁵ Instead of the regional countries acting as means of balancing China, they are taking part in economic growth centred around China. It is early to say

whether ASEAN and its derivative institutions are binding the regional behemoth or they are being used by China to dissipate the counter-balancing forces. Also, the economic inter-dependency generated is so deep that the apprehensions of China edging out the USA are being raised. According to a Rand study, China's economic link with the South East Asian countries is very strong, yet it is not transferable to political influence.⁶ It is true that China has not tried to flex its muscles except occasional sparring between the countries over territories and territorial waters. It has managed to convey its peaceful intention to the neighbouring countries. Even though the minor infringements are limited in scope, they do tend to keep the pot boiling and other states remain unsure of China's future options and strategies. The most recent example of testing waters was a naval spat with the US surveillance ship Impeccable in South China Sea. China claimed that the ship was in their territorial waters, yet the suspicion is that China was trying to test the new Obama administration.

In comparison to China, India's economic engagement with the ASEAN, which is an essential part of the 'look east' policy, has grown but remained short of expectations. India tried other institutional mechanisms like BIMSTEC (Bangladesh, India, Myanmar Sri Lanka, Thailand Economic Cooperation), Mekong-Ganga Cooperation, coupled with arrangements with ASEAN. India-ASEAN trade has increased to the level of \$ 38 billion. BIMSTEC was formed in 1997, it was more aimed at compensating SAFTA's (South Asian Free Trade Area) failure. However, trade under BFTA (BIMSTEC Free Trade Area) is full of potential. Despite these engagements the Indian need for an appropriate regional institution persists. India has been able to use these regional and sub-regional mechanisms to strengthen its 'look east' engagement. India's strategic 'look east' policy has been ably helped by the opening up of economy, growing closeness between India and the USA and willingness of the regional states to court India in order to hedge against rising China.

India's economic engagement with the South East Asian countries is substantial, yet it cannot match the Chinese economic presence in the region. China ranks in top three export destinations of the six East Asian countries. China's trade with the South East Asian countries has reached upto \$ 280 billion. Coupled with this is the growing closeness between the USA and China, but how it will affect the regional geopolitics is the moot point.

Sino-US Relations

Sino-US relations after having wild swings in early 1990s, have come to occupy a relatively stable phase of relationship. Despite the stability of relationship on the surface, and growing inter-dependence between the two, it is unlikely that this relationship has reached its ideal pattern. Rather, it is bound to be the most contested relationship in times to come. The USA is a global superpower and China is a challenger. Yet, at what spectrum level the power politics between the two will take place, is the critical issue. Also, in their desire to compete with each other, what effect they will have on each other and other powers, is worth noting. The USA, as a global superpower, has come to symbolise certain values, e.g. liberal democracy, free trade, human rights and to some extent multilateralism.

China began opening its economy in 1978, under the guidance of Deng Xiaoping which had more domestic determinants, than the idea of competing with each other. However, presently China has become a manufacturing base of the world. China's entry into World Trade Organisation (WTO) in 2001 was facilitated by the USA. Yet, presently China has come to represent alternative to Washington Consensus, called Beijing Consensus. This has especially become important in the wake of the present global financial crises, which has seen the financial architecture built around Bretton woods institution inadequate. Beijing Consensus emphasis is on state intervention in the market. China is one of the few countries, which is likely to emerge stronger from the global economic crises. China holds nearly a trillion dollar US treasury receipts. China has embarked on aid diplomacy, whereby it has given aid liberally to many countries. This has added to China's positive image, gained during the 1997 Asian Financial Crisis, when it didn't devalue its currency. In the global financial crisis, China has emerged as an economic power in its own right.

China can hope to build an economic arrangement quite distinct from the USA. If China and the USA are to compete economically, despite their burgeoning trade, the likely competition will be in East Asia. According to Bergsten, "the systemic issue is the potential clash between a China led Asia and the US-led "west" for leadership of the global economy."⁷ China through a number of popular economic incentives like Chiang Mai Initiative has developed a positive atmosphere in the neighbourhood. The East Asia region increasingly falling into the Chinese sphere of influence is likely. China and the USA have recently completed a Strategic and Economic Dialogue (SED), first since Barack Obama took over as the US President. It stressed on the need to reduce US trade deficit, and reduce over-consumption in the USA. The talks were hailed as success, emphasising close economic cooperation.

The American security interests in Asia-Pacific in particular, are centred on preventing any state to negatively affect policy choices in the region. The US military presence in the region is adequate to safeguard this. The USA and its key allies like Japan, South Korea and Australia are key allies helpful in achieving its objective. Yet, due to US involvement in Global War on Terror in Afghanistan and Iraq, the region had suffered a low priority. It has tried to correct by appointing an Ambassador for ASEAN, and signing of the ASEAN Treaty of Amity and Cooperation. China's over-arching economic role in the Asia-Pacific cannot be overlooked either. Sino-US relations are discussed under two broad policy choices of containment and engagement, but the former policy is increasingly becoming redundant, both due to the peaceful neighbourhood policy of China and interdependencies generated due to growing economic engagement. The USA's traditional policy of 'hub and spoke' alliance is loosening under Chinese charm offensive.

The policy implications for Sino-US relations are that they are unlikely to deteriorate. China is cautious, and the USA is careful, on this aspect in their bilateral relationship. China's prime security interest is in Taiwan, on which the USA's policy is not to alter the status-quo. It will always remain difficult to say whether the USA will be

willing to fight China to defend Taiwan. Japan becoming more and more self-reliant in its defence and security policies will be in favour of China. the recent election of Yukio Hatoyama has stressed the need to take a re-look into the US-Japan special relationship, and forge an East Asian Community – with China and Korea. The US-Japan relationship will continue to be the axis of the USA's involvement in East Asia. However, growing economic relationship between China and Japan will lessen their security anxieties. Similarly, the growing relationship between Australia and China is likely to restrain Australia from supporting the USA in containment efforts against China.

Sino-US relations continue to grow with convergence at both bilateral and systemic levels. Bilaterally, economic convergence is too deep to ignore, and at systemic level convergence is on maintaining or modifying the international system. This convergence is very ably presented in Zbigniew Brzezinski's idea of G-2 (Group of Two). China's active role in Six Party Talks, accession to WTO, is unlikely to make it a revisionist state. Further, China, despite being active on global scale from Latin America to Africa, is unlikely to take an active policeman's role, as the USA is doing in Afghanistan and Iraq. China's emergence as a great power may not be antithetical to the US hegemony. China's prime strategic area of importance is Asia-Pacific, which is in congruence with its historical middle kingdom syndrome. Sino-US converging on recognising Asia-Pacific as Chinese strategic sphere of influence has theoretical basis in US "off-shore strategy."⁸ In "off-shore" strategy the USA is supposed to be off-shore from East Asia. It is also noteworthy that Chinese accession of influence in East Asia has come at a period when the USA has adopted a muscular security policy. In this period China has increased its influence in ASEAN countries, as the ASEAN countries were presented with a fait accompli, where they have no choice but to engage with China. Economic benefits were an added advantage.

Sino-US relations have become too closely tied to unravel; it imparts an element of inevitability in China's rise, where neighbouring states have no option but to engage China. The only option is either, they are early gatecrashers to China's party or, reluctant latecomers. In this context, whether the Indo-US relations would attain their full potential, is difficult to say.

Indo-US Relations

From, India's perspective this is the most important relationship, both for its intrinsic value and symbolic representation. In the recent past, the Indo-US relations have improved considerably. The Indo-US Nuclear deal signified and symbolises this recognition.

Indo-US nuclear deal gives legitimacy to Indian nuclear programme. It makes import of Uranium and technological transfers possible. But that is more mired in micro details. Australia has refused to give Uranium to India. The Indo-US relations have progressed in the military relations area. India and the US have conducted more than fifty joint exercises. This bilateral relationship has the highest elements of social relationship, owing to the movement of people as compared with Sino-Indian relations. The Indo-US cultural relations are one of the stabilising features. This is the essential core of the relationship, which will not let the relationship drift beyond a point. Presently, this core is adequately complemented by strong strategic relationship.

India has gained de-hyphenation from Pakistan. But the securitisation of the relationship between the two is so much that the relationship can be hardly de-hyphenated. The apprehension was evident in the context of appointment of the US representative on Afghanistan Richard Holbrooke, who was supposed to look into Kashmir problem as well. Intense diplomacy on India's part could ward off the US involvement in Kashmir. The euphoria generated under the Republican Government has become tepid in the new democrat government of Barack Obama. This also symbolises the limitations inherent in the Indo-US relationship. The Indo-US nuclear deal epitomises the acme of the bilateral relationship. It has also concomitant economic logic of nuclear reactor industry of the USA.

Overall, the rhetoric of Condoleeza Rice helping India achieve its rightful place in the world, weighs heavily on the atmospherics. Yet, the exact role for India in its scheme of things is not clear. The important posts of the bilateral relationship can be equally, if not more, argued as cold strategic pursuit of the US interests. The recent controversy over Enrichment and Reprocessing Technology, intrusive End User Verifications mechanism is a case in point. The Indo-US relations crests have been immediately followed by troughs. It is not meant that relations fall outside the dictum of realism where states are following their national interests.

Rather, the Indo-US relations operate under a set of deep-seated set of constraints, which will prevent the relationship from realising its full potential. There are some fundamental truths of the relationship that, unlike Sino-India relations, which have the dangers of deteriorating into a border skirmish, the Indo-US relations are free of such existential crisis. But Indo-US relations are likely to remain a stand alone relationship. It is unlikely that they would transform into an anti-China front, both because of the growing cordiality between Sino-US relations and Indian perception of their own national interests. Even in the benign gaze of the US offshore grand strategy, India will in all likelihood, be reduced to guarding the Sea Lanes of Communication (SLOC), as Sahni argues in "neighbourhood watch".⁹ At times this could be coupled with "disaster diplomacy" in Indian Ocean Region like aid to tsunami affected littoral states. It is unlikely that the stand alone relations between the USA and India would help to reap dividends in the Asia-Pacific. Apart from joint military exercises in the region, most importantly Malabar series of exercises, the relations are likely to retain a South Asian regional focus, alternating between country hyphenation with Pakistan and issue hyphenation with terrorism. Ideally, the goal should be to manoeuvre the positive relationship between India and the USA in Asia-Pacific. But unfortunately, at the time of peak of relationship between India and the USA (during Bush era), latter was nearly absent in South East Asia. Now, with Hillary Clinton's Indonesia visit, the region has come back into focus, but the Indo-US relations have lost the euphoria of Bush years.

Conclusion

The Asian security architecture will be guided by Sino-US-Indian relationship dynamics. Sino-US relationship, would have major impact on emerging Asian architecture. The USA's permanent strategic footprint in Asia-Pacific, ensured through allies like Japan and South Korea, is likely to remain. But it is appearing more as guarantee against worst case scenarios, and giving the regional countries confidence to economically engage China. India has been striving to improve its strategic presence. However, given the constraints, Indian position is likely to become difficult and the relationship with China would become stressful. The recent repeated border incursions indicate that. In this context, evolution of an Asian Cooperative Security structure is less likely as China would continue to ignore India. Existing security fora are too loose and out of focus to impart necessary security benefits to affected countries in the region.

The Indian options in this strategic flux are limited. As Sahni argues, "India would be too big to hide but not sufficiently powerful to transcend, unwilling to bandwagon with China, but also unwilling to get involved in the American balancing game."¹⁰ The most important realisation is that India cannot play the waiting game; as its strategic choices become more constrained. India has rightly accelerated the pace of military preparedness along the Sino-Indian border. It also reflects the gradual realisation, that augmenting of military capabilities has become a comparatively easier option, to enhance national power for safeguarding national interests. Though, economic diplomacy is the flavour, yet its potential is reaching deadlock. Doha round of talks is stuck; the domestic apprehension of signing FTA (Free Trade Area) with ASEAN is a pointer in itself. Further, India's 'look east' policy, though successful has to be re-invented. The ASEAN and its instruments are becoming Sinophilic. Taking a strategic look at the region is essential.¹¹ Here, Indonesia could play an important part, which has a revisionist tendency of seeing region dominated by small powers¹². Hillary Clinton's visit to Indonesia emphasised the strategic importance of the Country. Indian Army Chief General Deepak Kapoor paid a visit to Indonesia to emphasise growing military ties between the two countries. Therefore, to achieve balance vis-à-vis China, there is a need for India to leverage its 'bigness' in the Asia-Pacific, by transcending South Asia, and cooperating with the USA.

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