

Review Article 1

India's China Challenge: A Journey through China's Rise and What It Means for India[@]

The rise of China has been one of the most written about subjects for over a decade. A positive development has been that several Indian authors have, in the recent past, come out with books on China from an Indian perspective. The book under review is by an Indian journalist who has lived in China as a reporter for The Hindu and India Today, and is well versed in the language. The book's objective is to examine the transformation that has taken place in China and delineate the challenges that China poses to India. The author aims to provide 'a ground level perspective' through interactions and interviews with Chinese scholars, tech entrepreneurs, journalists, and travel across the country, combined with desk research.

The Book

The book is divided into six parts. The first four focus on four key challenges posed by China to the world in general and India, in particular. These challenges emanate from its model of politics based on a one party rule; the economic dependencies created by its remarkable growth; the increasing assertiveness in international relations; and last, but not the least, the challenge of resolving the boundary question. Part five examines some of the challenges that China faces internally, particularly in Tibet, Xinjiang province, and in Hong Kong. The last part, titled 'Portraits', stands apart from the rest of the book and provides life stories of seven different personalities. With the foregoing bird's eye view, let us highlight some of the insights that emerge in each part of the book.

In the first part, the author observes that regardless of the economic changes in China, the core principle based on Mao's idea of a 'perpetual struggle' to retain power has remained intact and guides the politics. A new assertiveness started with the rise of Xi, who has emerged as the most powerful leader in China

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(since Mao) and now controls the party, the military and the government. But faced with the challenges from a slowing economy and global tensions, there is a search for a new source of legitimacy for the Communist Party. The 'Chinese Dream' campaign by Xi is now a part of this effort and this transition is characterised as moving from 'becoming rich' to 'becoming powerful'.

The second part focuses on the economic transformation of the country and starts with a description of small shops in the coastal province of Zhejiang (chapter 4), where Kanchivaram sarees, Tanjore paintings, Rajasthani jewellery, Krishna paintings (all made in China) are for export.....yes to India! In addition, a range of branded products like Godrej locks, castors, airport equipment are made from steel produced from ore sourced from India.

The author observes that the conventional view in India about Chinese manufacturing is limited to the role of a centralised State in building infrastructure. But it is also necessary to recognise that the Chinese Government allowed local governments to experiment with policy to take up a bottom up entrepreneurship strategy and invest in human capital during the early part of the reforms, which, in turn, created the base. Even in electronics, the author cites an observation made by Tim Cook of Apple that the real reason why companies chose China was the availability of skills at one location.

He notes that the era of cheap jobs is getting over as Chinese workers are now better educated and not looking to industry jobs. Firms are moving to cheaper locations in South East Asia. However, shifting out of supply chains of sophisticated products like electronics is not as easy because China is not only a part of global value chains but also an important part of the global demand. Another key message is that many of the policies that enabled China's manufacturing rise were unique and may be difficult to replicate in countries like India.

The author notes that the Chinese governance structure is more decentralised than commonly understood, particularly in the area of urban development. The mayors in China are vested with powers for disbursement of funds which enable quick decisions. While decisions get politically influenced, the overall outcome is that Chinese cities are more liveable than in India on almost all indicators, including housing.

The author admirably observes that China increased its rail network to 1,20,000 km and its high speed network to 30,000 km. One reason for the success has been the single point responsibility model with the Ministry of Railways holding complete responsibility over planning, execution, and financing. The financing model has resulted in high debt but not all Chinese experts see that as a problem.

The author goes on to discuss the deep initiatives in taking up infrastructure projects in other countries, the China-Europe rail link and the Belt and Road Initiative (BRI). While many projects have run into difficulties due to the excessive debt burden on the host countries, the fact remains that China has virtually ripped apart the rule book for infrastructure financing. Also, the funding by the China Development bank, the EXIM bank, and the Asian Infrastructure fund now exceeds what multilateral institutions are able to extend. Even though the contours of the BRI are ambiguous, it has created a narrative around the inevitable ascendancy of China.

Krishnan observes that when it comes to innovation, the popular belief is that open and democratic societies have an advantage. In China, the State played a critical role in putting infrastructure in place and bringing back entrepreneurs but was smart enough to know when to get out of the way. In the case of start-ups, if they were successful, the owner was allowed to buy back the shares but if they failed, the local governments subsidised the losses. The rise of tech giants has been helped by restrictions on the entry of foreign companies.

Several Chinese tech majors like Baidu started developing apps aimed at capturing niche markets in India (till the time the Indian Government banned some Chinese apps). Investments by their tech and IT majors in Indian start-ups had also increased. Yet, these investments have not helped to shape China's overall policy towards India. Safeguarding access to private data has now emerged as a challenge for Indian policy makers. Even though Chinese capital has been beneficial, the implications of some of the most valuable start-ups in sectors like Fin tech ceding control is a source of concern.

In part three (chapters 7 to 11), the author devotes considerable space to the India-China relationship, in particular

the border issue, and brings the reader up to date till 2020 . He starts with President Xi's visit to India in 2014, the Indian PM's visit to China in 2015, each visiting the others home town, their body language, and the underlying nuances. He then traces the manner in which the mood changed following the Doklam standoff in 2017. While the spirits revived during the summit meets at Wuhan and Chennai, the relations plummeted to a new low following the Galwan clashes.

The fourth part (chapters 12 to 15) goes back in time to discuss, what the author calls, the 'Original Sins' that led to the 1962 war. The plural may be noted. He goes on to discuss whether that war was inevitable and draws attention to the contrast in the approach to the border question based on maps adopted by India, compared to seeing it as a '*leftover of history*' that needed settlement by the Chinese. According to the author, the irony is that the dispute was susceptible to a solution but with the passage of time, it is becoming harder. The voices in China who believe in a settlement are increasingly a minority. Regardless of how China views the problem, the author is of the view that there is merit in India taking the lead. The issue needs to be debated, stripped of sentiments and historical baggage, and the costs and benefits carefully reviewed. The author suggests that pushing back against the China narrative is one thing but a more difficult challenge is to come up with a concrete response to its rising influence in India's neighbourhood as China now sees itself as the lone challenger to the global hegemon and the *dominant power* in Asia.

Part five is based on his visits to Tibet Autonomous Region (TAR) and neighbouring provinces, Xinjiang and Hong Kong. They constitute, what the author calls, the 'Frontiers' and have witnessed continued unrest, matched by a determined bid to integrate them. The landscape has changed due to infrastructure construction in TAR and neighbouring provinces. Interestingly, many young Chinese from far corners of the country are getting drawn to Buddhist and Tibetan thought. But, the continuing stalemate in addressing the Tibetan question is undermining goodwill, if any. The story of Xinjiang province is one of suppression of the Uyghur population accompanied by investment in infrastructure. Forceful assimilation remains the government's strategy and changes in demography due immigration seem to be a common feature in both these regions. The piece on Hong Kong shows how the 'one

country two systems' model is morphing into the 'One China' model. During his travels, the author experiences monitoring of his phone which seems quite common.

The last part of the book begins by contesting the commonly held view (in India) that all Chinese are similar. He draws portraits of six persons, their lives and circumstances, which give the reader a flavour of the diversity in China.

General Comments

This book is interesting for the following reasons. First, it contextualises the recent changes in China against the backdrop of a long time period by connecting them to the relevant developments in the past. It is not a history book and the reader should not expect a systematic chronology as not all chapters have been written in the same year. Second, the narration of the author's interactions with various personalities lends a human touch and keeps the interest of the reader alive. Third, the author takes you on a journey across the country and presents a collage of views, opinions, and observations woven together with ample desk research and citations that help to provide a nuanced ground-level perspective.

The book covers a large ground comprising China's economic success, technological sophistication, military reforms, its forceful engagement and strategic positioning in international affairs, the environmental and social challenges it faces, and the tensions prevailing in some provinces. It provides a well-rounded account of the recent changes in a country that has had 'Comprehensive National Power' as its political objective.

The message the book conveys is that China is projecting not merely its success in different areas but its own vision of the world based on the China model of development. If India is to have a better grasp of its neighbour, there is need to invest more effort and attention in understanding the developments in China. It is a well written book and would interest all those who wish to understand contemporary China and the challenges it faces, and the challenge it poses, especially to India.

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