

EXECUTIVE BRIEFINGS POLITICS AND ECONOMY: CHINA

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Pointless Assertiveness

China's decision to discard previous notions of neutrality between India and Pakistan and align both foreign policy and strategic outlook with Islamabad seems inconsistent considering its desire to play on the global stage as an emerging super power. Perhaps China is miffed at the tepid response offered by the Indian government on its Belt and Road Initiative. Ostensibly, it is irked by India's unexpected standoff against the construction of a road in Doklam, a tri-junction nestled between the Indian State of Sikkim, Bhutan and Tibet. Bhutan, an Indian ally, considers the Doklam plateau a part of its sovereign territory and asserts that China's claims on land in that area violate the status quo.

The foreign policy of nation states is crafted along strategic imperatives and understandably China's should be no different. As the world's second largest economy and the largest trading nation, China now wishes to define a new global order on trade, military and other interests. With the United States soft peddling on international affairs, following the Trump Administration's America First policy, China seek to fill this vacuum. It has funded infrastructure development in Asian and African countries, set up military bases offshore in Africa and in the South China Sea, and sought to acquire respect through its military might and financial clout.

President Xi Jinping spoke of the 'Great Rise of the Chinese Nation' and quite sensibly believes that China's time has come to reclaim past glories. Its Belt and Road initiative, like other prongs of State policy, provides the platform through which China will engage with other nations. But logically this engagement should be such that it benefits China either immediately or in the longer term. Its recent tilt against India on a number of issues, particularly ones that have to do with its troublesome neighbour Pakistan, seems puzzling. Pakistan is neither an alluring market nor stable enough to become a sustainable ally. India, on the other hand, remains a large, albeit sometimes difficult, opportunity that promises to emerge as a USD 6 trillion economy in a little over a decade. It will therefore create in the coming years, new markets for goods and services of a size comparable to what China itself had done a decade ago. Even today, China's trade with India exceeds USD 70 billion with the balance grossly in China's favour. Small tracts of barren land in the high Himalayas frankly cannot be appealing enough to sacrifice what is generally believed to constitute the next wave of global growth. With its technological edge and funding capability China could play a huge role in India's development and profit commercially through acquiring market access in that process. What it has instead managed to do though is alienate public opinion and consequently make it tougher for policy makers to cut deals.

Perhaps it simply wishes to emerge as the sole and undisputed power in Asia brushing India, which justifiably has its own aspirations, out of the way. Pakistan, with all its disgusting ailments, provides a useful prop towards this process. But this strategy comes with consequences. India may be tempted to tilt even closer to America and Japan and, much to China's dismay, create a naval axis within the Indian Ocean. In the longer term with military assertiveness, nobody stands to gain and China undoubtedly has something to lose. A conflict, or even sustained border skirmishes, will emasculate its global position as a responsible power, forcing countries against which it has territorial wrangles to take notice and treat it with suspicion. It may even dent its moral authority within global institutions and damage the very fabric of the world order that it is trying so hard to create. This assertiveness seems pointless.