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## **US Strategy with China and India: Striking a Balance to Avoid Conflict**

**CADS Staff**

Recent progress toward implementing a nuclear cooperation agreement between the United States and India is ripe with both potential progress and setbacks to contain global nuclear weapons proliferation. Supporters of the deal, which grants nuclear-armed India access to US nuclear fuel and reactors for the first time in 30 years, (Giacomo, Robinson 2006) maintain that it will improve the US-India strategic partnership, deepen economic cooperation and enhance democracy in India. Meanwhile, critics worry that India will create more nuclear weapons and thus aggravate nuclear proliferation. Similarly, the deal may likely lead to indirect US assistance to India's nuclear weapons program, a potential violation of the United States' non-proliferation treaty (NPT) commitments. (Squassoni 2006) The US-India relationship, however, is multi-faceted and should be examined from a broader perspective that acknowledges India's perceptions of the international political environment. This essay will focus on the relationship between two Asian giants—India and China—and the US role at that nexus.

### **The US-India Relationship**

The United States and India have made significant recent progress in their relationship. Common political and economic interests help reinforce this bond. One of the top 20 trading partners of the US, India also enjoys one of the largest worldwide—ranking sixth in 2005. (Pasricha 2006) India provides the US with a significant outlet to globalize its production while the US introduces new techniques and a wealthy export market.

On security issues, India, a nuclear weapon-wielding country that is also a democracy, is key to a US-led nuclear non-proliferation plan. However, India has never signed the Nuclear Non-proliferation Treaty (NPT) and its use of nuclear energy is not under international supervision. (Squassoni 2006) In an effort to contain India's nuclear power, the US must convince India not to transfer nuclear technology to other, likely non-democratic and hostile, countries and to rather put nuclear energy to civil use. These conditions are contained in the nuclear deal currently under consideration by the US Congress. As India currently lacks a specific and coherent nuclear policy, (Cohen 2006) the United States can significantly influence the country's nuclear policy. If the deal, approved in the first of two votes the House of Representatives on July 26, receives the remaining necessary approval by in both houses of Congress, the nuclear reactors India would receive from the US would be under international supervision, including that of the International Atomic Energy Agency (IAEA). (Schlosser 2006) This cooperation will help integrate India into the nuclear non-proliferation plan and allow the US to better control and monitor the exports and growth of India's nuclear technology.



As the largest and fastest growing nation in Southeast Asia, India plays an important role in maintaining peace and stability in the region. In turn, stability in the region is a key concern for the US in an effort to promote economic growth and political stability. India is at the center of many potential conflicts, such as territorial disputes with Pakistan over Kashmir. India also plays an important role in stabilizing its neighboring countries such as Nepal, currently experiencing the rise of Maoist movements. (Cohen 2006) The South Asian nation is thus an indispensable US ally in mitigating conflict.

China presents another major concern to the US. The US intends to back India in order to form a counterpart to China's rising power in Asia. In June 2006, the US and India signed a ten-year military cooperation agreement. (BBC News 2006) If India and China gain an equal status in Asian affairs, they will compete, thus providing a better opportunity for the US to maintain its leading role in Asian affairs. Strategically, the US should thus maintain good relationships with both China and India while at the same time helping ensure a relative balance of power between the two countries. China is currently growing at a faster pace than India and is more powerful on several fronts. In its efforts to maintain the balance of power, the US thus seems to provide more support to India. Meanwhile, caution is made to maintain a positive relationship with China.

Lastly, India and the US share common democratic values. India is the oldest and largest democracy in Asia while the US is the largest democracy in the world. (Wilson 2006) The spread of democratic values has always topped the US foreign policy agenda, which explains the great focus lent to stabilizing and pursuing democratic goals in India. The US cannot afford to lose India, a landmark of democratic values in Asia, as a strategic partner.

#### *Potential Risks*

A number of domestic and foreign factors may significantly hinder the stability of India's political and economic development. An immature political structure is coupled with an unsound economic system. The current Indian government is a coalition alliance, in which each party holds veto power. This structure may prevent the government from undertaking any effective economic or political reforms. (Cohen 2006) Without such reforms, social ailments, such as the widening poverty gap, will worsen. The regime will change hands continuously and the government will fail to generate a coherent policy on the US-India relationship. The communist party in New Delhi has also grown increasingly active. (Kronstadt 2006) The limited political spectrum and the risk of a coup d'état must be taken into consideration. All those factors will influence not only India's politics but also the economic stability within India and Asia as a whole.

The relationship between India and its neighboring countries is another important element of the equation. The territorial dispute between India and Pakistan over Kashmir is a potential threat, especially as both countries have nuclear weapons. Any potential conflict with Pakistan will greatly hamper India's economic development. Nepal's Maoist movements threaten to spread across borders and form links with communist activities in India. (Cohen 2006) Border control



and the population's mobility remain as another potential point of contention. (Kronstadt 2006) The People's Republic of Bangladesh and Sri Lanka also face a number of challenges in stabilizing their political situations. The two democratic parties in Bangladesh constantly engage in disputes, thus preventing the consolidation of democracy. In Sri Lanka, separatist movements such as the Liberation Tigers of Tamil Eelam (LTTE) may require India's intervention in order to be contained. (Kronstadt 2006) China and India also share an entangled history and neither side will ignore the other's actions and intentions. India is therefore a developing country situated in an unstable environment.

### **The US-India relationship to China**

The US-India rapprochement has garnered China's attention. India is a relative newcomer to the Asian great powers scene, previously dominated by China and Japan. China does not express the same worries about Japan as with India in light of the former's relatively minimal land, smaller population, slower economic growth and lesser military ability. India's recent rise makes it a potential counterpart to China. The developing US-India relationship is thus an important issue for China.

#### *China and India: Between Competition and Cooperation*

China and India have a complex relationship. The two largest leading countries in East and Southeast Asia, their relationship bears great impact upon Asia's political environment. The two powers share common interests, but also have many unsolved disputes. Maintaining a peaceful and stable Asia is politically and economically beneficial to both sides. Economically, China and India's strength lies in different sectors. China has advantages in industry and construction while India focuses on services. (Cetron & Owen 2006; Hughes 2005) Bilateral trade and cooperation is a likely important development. China and India both need a stable environment in Asia to attract foreign investment. Instability will increase economic cost and disturb the production cycle.

Politically, security and nuclear non-proliferation in Asia also requires bilateral cooperation. Unstable domestic politics lead to such ailments as refugees. Both countries also face separation movements within their borders—India has territorial dispute with Pakistan over Kashmir and China faces separatist movements in Tibet, Xing-Jang and Taiwan. Therefore, China and India will not support self-determination and separation movements in the other's country. (Bhattacharya 2005) Otherwise, they will set a trap for themselves. Developing a positive relationship and confidence will allow both parties to focus on solving their domestic problems and economic development.

Potential conflicts remain a threat to the relationship. China and India have long had border disputes. Both countries also compete for dominance over Asian affairs. China is pursuing a greater role in Southeast Asia and has increased its cooperation with countries in that region. (Elizabeth 2005) In order to counterbalance and contain India, China has tried to gain influence over India's neighboring countries, including Pakistan and Sri Lanka. Even while the China-



India relationship improves, China has warned that the Sino-India relationship will not come at the cost of the Sino-Pakistani relationship. (Economist 2005) India has been a voiceful critic of China's lenient policies toward Pakistan, which require close to no internal reform concessions. China does not support India's obtaining a permanent seat at the UN Security Council as China resists the possibility of another Asian country sharing its monopoly over Asian affairs among the five permanent members.

India and China also need to compete for energy sources to gain access to Central Asia. India imports two-thirds of its oil from Central Asia, a greater amount than China. (Subodh 2004; Economist 2005) However, China enjoys more access to Central Asia and has a closer relationship with Iran. China is also developing a strategic relationship with Saudi-Arabia for oil production and trade. Although India and China run a tight race, the latter has a greater GDP growth rate, a smaller wealth gap, and a larger global market share. (Ceton & Owen 2006; Economist 2005) But India has a more transparent economic system and a democratic system. Each country therefore has a comparative advantage in different fields, a source of both potential partnership and potential rivalry. Competition between China and India tends to avoid conflict, prioritizing on each country's respective economic development and political stability. Several Sino-India agreements focus on confidence building and cooperative monitoring to prevent conflicts. (Singh Sidhu & Yuan 2001)

#### *China's perception of the US-India Relationship*

The US-India relationship is a concern for China, which resists excessive US involvement in Asian affairs, viewing it as an impediment to its own growing influence in Pan-Asian affairs. China also fears a potential US-led containment policy through the US-India relationship. (Pan 2006) To maintain its autonomy and security, China must thus develop closer relations with India. However, India fears possible Chinese domination while a future of ever-competing interests and conflicts looms. The US can also offer more concessions than China to India, such as military technology transfer, trade and likely support to obtain a permanent seat at the UN Security Council. The US is thus an important leverage for India to use against China. India will choose to maintain good relationships with both China and the US, thus cushioning the impact of China's rise. China's emergence is thus a catalyst for improve US-India relations.

In light of these concerns, China will not adopt a lenient attitude toward India and its relationship with the US. China wishes to assert its superiority in Asia and holds more leverage than India does. China also worries about a containment policy formed by the United States and India. When faced with the growing US-India relationship, China works to further consolidate its status in Asia. In order to contain that relationship, China works to reduce other countries' anxiety about its rise while at the same time behaving like Asia's "big brother."

#### **The US between China and India**

Due to the complexity of the relationship between China and India, the US could have much room for manipulation, best served through a balancing act. China is the fastest growing



economic and holds veto power at the Security Council. While the US has interest in maintaining good relations with China, these are harder to maintain than US-India relations due to conflicting interests and incompatible political values. The potential sources of conflict between China and the US are major, pivoted on such issues as ideological differences, economic market freedom, human rights issues and the Taiwan Strait.

From a US perspective, China and India both play leadership roles in East Asia and South Asia, respectively. Faced with competition between China and India, the US interest lies in developing a balanced position between both countries. A possible challenge to US influence in the region is if China and India reach a consensus to exclude the US from Asian affairs. The growing Asian regionalism may greatly reduce American influence and thus affect American interests. As a result, the US seeks to prevent potential conflicts between China and India, as well as the formation of a solid coalition restricted to Asian countries. Competition between the two Asian giants is most advantageous to the US, which should seek to maintain the *status quo* by balancing power in the region.

The US can also play a key role in facilitating a greater engagement of China and India in the global stage, thus helping to contain the emergence of Asian regionalism. Furthermore, a number of political, economic and social problems are anticipated in China and India, whose instability would negatively impact Asia and the world. Through greater participation, the international community can help China and India prevent or control instability.

### **Conclusion**

US-India bilateral relations have a sizeable impact beyond the two countries. More factors must be considered in predicting the development of this relationship. Improving ties between the United States and India is mutually beneficial to both parties. However, the rise of the two Asian giants of China and India will bring unpredictable factors to this discourse. Although relations between the US, China and India seem to be primarily bilateral in nature, they evolve in an underlying triangular relationship. The US can protect its interests through a balance of forces between India and China. The US should also be aware of growing Asian regionalism. The US strategic relationship with the two Asian giants will determine whether it will gain or lose its interests in the region.

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