

Rising Peacefully Together

Asia's two biggest powers see each other as a threat. But are China and India destined for conflict?

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The rapid and simultaneous rise of China and India has raised serious concerns about an inevitable, if not existential, competition between the two emerging powers. Unsurprisingly, there has been a cottage industry of commentary on the coming clash: In August 2010, the Economist's front cover blared "Contest of the century: China v India"; a new book from China watcher Mohan Malik is titled China and India: Great Power Rivals; the pages of the Chinese and Indian press -- particularly the latter -- are filled with columns focused on conflict; and the blogosphere in both countries is often scarily nationalistic about the relationship.

Of course, Chinese and Indian leaders tend to emphasize that the relationship is stable and downplay any talk of rivalry. According to Chinese Premier Wen Jiabao, "China and India are partners for cooperation and not rivals in competition. There is enough space in the world for the development of both China and India." Similarly, Indian Prime Minister Manmohan Singh insists, "India and China are not in competition.... There is enough economic space for us both." If there is a paradigmatic instance of the growing convergence between the two countries, it is the explosive increase in Sino-Indian trade: from \$2 billion in 2000 to \$60 billion in 2010, a figure that is projected to double by 2015.

But the hard truth is that Asia's two biggest powers do see each other as a threat and, because they do, are trying hard to manage the rivalry. History has played a role in their perceptions of each other. During the Cold War, they pitched their tents in different camps: From 1971, China was America's quasi-ally while India was the Soviet Union's. By then, the two countries were also divided by a border quarrel, conflict over Pakistan, and mutual suspicions over Tibet. The result today is a trust deficit between the giants of Asia. International concern about the relationship is understandable: A "protracted contest" between China and India, to use Sinologist John Garver's description, would be disastrous for 40 percent of the world's population, the rest of Asia, and humanity at large.

While China and India feel threatened by each other, cooperation seems like an increasingly attractive course. First, unlike past global powers such as Britain, Germany, Japan, the Soviet Union, and the United States, whose rises were accompanied by the capacity to fight massive wars far beyond their borders, China and India cannot rise through expansion backed by military might. Although both countries are arming themselves -- India is now the world's largest arms importer -- their ability to project power is constrained by fundamental social and political challenges at home and by the presence of nuclear weapons in each other's hands and in the hands of several other powers. In short, China and India seek security and respect, not empire.

Second, instead of challenging the existing international economic order as their predecessors did, China and India have integrated into that order and by doing so have achieved unprecedented rates of economic growth. War, conflict, and unregulated competition between them would jeopardize the very arrangements that are making their rise possible. Thus, economic and political reforms at home, not the threat or use of military power, are China's and India's preoccupation.

Thirdly and most importantly, their roughly simultaneous rise and the rather similar processes that have propelled their rise -- economic liberalization at home and integration with the global economy -- have caused them to be on the same side on major global issues such as restructuring the world financial system, maintaining an open international trading system, and combating climate change.

China and India have a deep stake in the world economy. Both worry about ill-regulated financial sectors, the fiscal crisis, and recession in the West, as well as the huge amount of liquidity pumped into the advanced economies by central banks -- liquidity that is causing volatility in capital flows and commodity prices elsewhere. This worry was underlined in the BRICS joint communiqué this March. Both are also worried by a possible turn to protectionism among richer countries as their manufacturing base migrates to the developing world.

Moreover, China and India recognize that climate change is a massive challenge. In the run-up to and during the 2009 Copenhagen climate change summit, they coordinated their negotiating positions and

together defended the notion that as developing countries they could not reduce their carbon emissions. They also argued vigorously that rich, already industrialized countries must pay for climate mitigation and adaptation.

China and India are among the countries that will be the most affected by climate change. The Himalayan glaciers, feeding the great rivers of China, India, and Southeast Asia, are melting. Chinese experts predict that by 2050 the icy area on their side of the Himalayas will shrink by more than a quarter. Indian glaciologist Syed Iqbal Hasnain estimates that in 20 to 30 years the Himalayan glaciers will have receded completely, leaving many rivers dependent on seasonal rainfall. The Intergovernmental Panel on Climate Change suggests that the Indus, Ganges, and Brahmaputra may come to depend on seasonal rainfall by 2035. China expects that global warming will cause a 5 to 10 percent reduction in agricultural output by 2030; more droughts, floods, typhoons, and sandstorms; and a 40 percent increase in populations threatened by the plague. The Economist cites a Peterson Institute for International Economics report in reporting that "India's agriculture will suffer more than any other country's.... [B]y 2080, India's agricultural output is projected to fall by 30-40%."

Given their greater vulnerability to climate change relative to most Western countries, China and India must think creatively about their approach to carbon emissions: Beijing and New Delhi's present stand will not convince the rich countries to limit their emissions. In addition, David G. Victor, Charles F. Kennel, and Veerabhadran Ramanathan have recently argued that, as against carbon emissions, 40 percent of global warming can be attributed to dark soot particles, methane, lower levels of atmospheric ozone, and industrial gases. An agreement among China, India, and the United States to limit these four pollutants, the scholars claim, is easier to achieve than a limit on carbon emissions. The impact of global warming on river waters suggests that China and India must collaborate more seriously on the exchange of hydrological data and on adaptation mechanisms to deal with the consequences of glacial melt. In 2011, at the India-China Strategic Economic Dialogue, the two countries agreed to cooperate on energy efficiency, conservation, environmental protection, and, most importantly, renewable energy. Given the leading role of governments in encouraging alternative-energy development and use, it will require state-to-state collaboration to initiate and sustain cooperation in this field. The incentive to cooperate bilaterally arises from the fact that global warming will increasingly be caused by their large and growing emissions and because climate change will hurt the two countries more than virtually any other country.

Beyond climate change is an even more fundamental challenge: finding an alternative model of economic development. The International Energy Agency suggests that China became the largest consumer of energy in 2009 and that China's oil imports will triple by 2030. A 2010 BP report describes China as the "largest consumer of coal and steel in the world." According to a 2011 Reuters news report, China has become the "world's second-largest consumer of corn and top consumer of pork as well as a major consumer of sugar." India is the world's fourth-largest consumer of energy. The Economic Times reveals that India is the world's leading sugar consumer and the second-largest consumer of wheat after China. India is also a leading consumer of milk, and consumption will double between 2010 and 2030. With China and India's combined population peaking at 3 billion by 2050, Western-style industrialization in the two countries spells doomsday. As Mahatma Gandhi famously said about his country: "God forbid that India should ever take to industrialism after the manner of the West.... If an entire nation of 300 million took to similar economic exploitation, it would strip the world bare like locusts."

A fourth incentive for cooperation is global security. Global security is based substantially on the U.S.-led alliance system. Although this system has played a role in securing peace and stability, the reality is that none of the emerging powers, including China and India, directly participates in it, a vacuum that creates great uncertainty. The U.S. pivot to Asia under President Barack Obama seeks to reinvigorate the hub-and-spoke alliance system that the United States constructed during the Cold War. The danger is not that these emerging powers will necessarily challenge the system or the United States for that matter, particularly in East Asia; it is rather that the system, established for the purpose of containment -- not integration -- cannot accommodate their legitimate security interests commensurate with a growing role in world politics.

While China is intimately connected to East Asia's security, it is also in India's interest that peace and stability prevail in the region. New Delhi does not want to take sides in a potential Taiwan or South

China Sea conflict. Nor does it want a nuclear North Korea. New Delhi condemned North Korea's April 13 rocket launch, citing U.N. Security Council Resolution 1874, and asked Pyongyang to abide by the resolution. It is in China and India's interest that Islamist extremists and terrorists in Central, South, and Southeast Asia are checked, that stability is restored in Pakistan under a civilian government, and that the Kashmir issue is solved peacefully without foreign intervention. Managing these challenges requires international cooperation, which necessitates a more inclusive regional security arrangement. Beijing and New Delhi share a vital stake in working with other countries in their neighbourhood -- and especially with the U.S.-led alliances -- to rearrange the regional security system so that it can accommodate, rather than collide with, China and India's security interests.

China and India are converging and have reason to cooperate, but three major issues still divide them: the border quarrel, the problem of Pakistan, and the fate of shared rivers. Yet the two governments have handled their differences with some care. Although we should not expect any dramatic breakthroughs here, conflict is not imminent.

The border quarrel between China and India is not susceptible to quick and easy resolution. Beijing and New Delhi are aware that the dispute bears the imprint of European imperial interests going back to colonial times and a strong sense of post-colonial victimhood. As Manjari Chatterjee Miller notes in her recent work on China-India conflict: "after decolonization, both countries harboured bitter resentment for the territorial damage inflicted on them ... and they were determined not to give way on traditional territorial boundaries crucial to their national identity." Fifty years after their border war, both societies are sensitive to dilutions of sovereignty and to their international status. Either side giving in on the issue of contested borderlands -- however necessary it may be for long-term peace and stability -- could provoke serious public reactions at home. Thus, after nearly continuous negotiations over the border since 1981, the approach they have chosen, underlined by various agreements and communiqués, is to manage their differences rather than reach a grand accord that could unravel in the face of domestic opposition. The two governments have a similar interest: to negotiate (so they can fend off accusations by internal critics that they are ignoring the problem) and to postpone a settlement (until public opinion is ready for a solution). So far, they have done well in avoiding inflammatory statements on their differences and in refusing to be baited by their media.

Even on Pakistan, Beijing and New Delhi find their interests converging. Political instability, the rapid expansion of Islamist extremism, and massive foreign influences in Pakistani affairs have intensified China's worries about Pakistan's future, especially after the 2009 and 2011 riots in the Chinese autonomous region of Xinjiang. China has connected Uighur militants trained and based in Pakistan with the riots in Xinjiang. A Chinese government statement notes that an "[initial] probe has shown that the heads of the group had learned skills of making explosives and firearms in overseas camps of the terrorist group 'East Turkistan Islamic Movement' (ETIM) in Pakistan before entering Xinjiang to organize terrorist activities." In the long run, China and India share a vital interest in promoting normalcy and development in a nuclear-armed Pakistan, with its military under civilian control and its economy integrated into regional trade and energy arrangements.

China and India could find themselves in conflict over shared river waters, but this is by no means certain. As industrialization increases water use, Indians worry that the rivers originating in the Tibetan plateau and flowing south will be diverted to China's own water-scarce provinces. In response, Beijing has stated that it will not divert the waters and has backed its pledge by sharing some river-water data with India. In October 2011, Jiao Yong, vice minister at China's Ministry of Water Resources, said, "Considering the technical difficulties, the actual need of diversion, and the possible impact on the environment and state-to-state relations, the Chinese government has no plan to conduct any diversification project in this river [the Yarlung Tsangpo, which is the Brahmaputra in India]." Rather than divert, China is likely to stick to run-of-the-river projects, that is, hydroelectric projects based on the natural flow and elevation drop of a river. This should reassure those who fear a water war.

China and India do not and will not agree on everything. Beijing's arming of Pakistan is a continuing worry for New Delhi. India's new Agni V ballistic missile tested this April appears China-specific, and instabilities in Tibet affect the relationship. But this provides all the more reason for bilateral cooperation. Since the 1980s, the two sides have built a structure of cooperation on four pillars: regular summits and high-level meetings, military confidence-building, border negotiations, and

increasing trade. As their economies rise and as their military capacities grow, their desire to shape the global commons will increase along with demand for key resources (especially food, water, and energy).

The four pillars, as a diplomatic substructure, will no longer suffice; a new China-India architecture will be required. This must be a deeply layered, multilevel, interlocking structure for mutual confidence, consultation, and coordination involving political leaders, legislators, officials, experts, businesses, policy institutes, academics, students, and other actors in the two societies -- like the ramified architecture of the Association of Southeast Asian Nations. It should aim to identify and strengthen common ground, manage conflict as it arises, and promote cooperation in bilateral as well as international affairs. To the extent that it succeeds in doing so, a new China-India diplomatic structure will be an investment in the well-being of nearly half the world's population, the neighbouring regions of Asia, and the world at large.

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