

Modi believes that upcoming India growth will outstrip China and allow it to claw its way back into the spending race. The plan is that increased state revenues will cover the costs of domestic development, military upgrades, and increased foreign investment. Not all economists agree with the Prime Minister's assessment, but even if this growth does materialize, India might still be facing dogged problems from its past. – *Dr Kevin R Downey**

Indian Prime Minister Narendra Modi has been earning extra bonus miles with two recent trips to China for talks with his counterpart, President Xi Jinping. On one level, the talks were to smooth over lingering tensions from last summer's road construction standoff in Doklam. But the second meeting at Wuhan in early May was a less formal affair, reminiscent of mid-20th-century summits where leaders could forego the formalities and speak directly about their nations' collective concerns. While Doklam was still discussed, the meeting did not linger on contentious issues, but on the prospects—and costs—of cooperation. Pledges of closer commercial relations and collaborative projects, even in India's own neighbourhood, were underscored as the two Asian powers emphasized compatible geo-economic interests.



Doklam | Image: Global Daily

If Doklam was the introduction, and Sino-Indian cooperation formed the text, the subtext for the Wuhan meeting was the shifting global environment and the disruptions that US President Trump's foreign policy actions could have in Asia and beyond. As US behaviour has become unreliable and arbitrary, it is even more incumbent upon the India and China to actively protect their region and markets. For Xi, the US policies could not only harm China's economy, but the global markets China operates and expands through. India has more to lose from American inconsistency. Trade and foreign direct investment could be imperilled, but even more, its role as a counterweight to China in the Indian Ocean and western Pacific from which India benefits could disappear. Both Modi and Xi must adjust to the situation, and would like to do so with limited antagonism between their states; but as has been the case for two-decade, India will have to work harder than China to adjust and

secure some level of parity across Asia and Africa; and not only because of its own present, but because of its past as well.

China has held a tangible advantage over India in its diplomacy and negotiations. China's economic opening occurred in 1978, more than a decade before India's economic miracle began in 1991 and has typically exceeded India in annual growth. This combination has resulted in a geometric growth in resources that has allowed China to spend more each successive year on defence, domestic development and foreign investment. This head start has kept India chasing despite its own credible increase. China also has structural advantages in its leadership as well. President Xi has established himself as one of the great Chinese heads of state, consolidated control over the Communist Party and has command over the machinery of government. Basically, his word goes. India's government is not nearly so streamlined. India has a vibrant and sometimes fractious democracy. Even though Modi and the BJP have held a sizable majority in the Lok Sabha, his ability to simply command action is nothing like Xi's. Deal-making and political concessions are integral to governance in India, and maintaining majorities are never simply assured as the recent polls in Karnataka suggest. These structural differences are important to the President's and Prime Minister's credibility in negotiations with other states.



Bilateral Meeting between Indian Prime Minister Narendra Modi and Chinese Premier Xi Jinping | Image: PTI

These factors influence how both the states are able to operate in regions where they compete most—Southeast Asia, South Asia and Africa. India has had good success with ASEAN and its member states in thirty years of effort throughout former PM Narasimha Rao's Look East Policy and Modi's Act East redux. But in the same period, China's largesse during the 1997 Asian Financial Crisis has let China keep the inside track in the region despite its periodic aggression in the South China Sea. India has not achieved the same success in its own neighbourhood, however. The South Asian Agreement on Regional Cooperation, established in 1985, has never given India a credible path to hegemony in the Subcontinent. Yet China has been able to parley its observer status, granted in 2005, into successful sideline negotiations on trade agreements, resource development, and importantly deepwater port facility construction and use.

Africa is the most recent venue of Sino-Indian competition as the two states seek to out-

position each other for access to natural resources and emerging markets. But even here, India must face familiar disadvantages. China's approach to Africa is little different from the approach it has used in other regions—straightforward bilateral offers of economic cooperation where smaller states can score market wins while China, as a benefactor, always wins more. The model is uncomplicated and the rules are clear. Bandwagoning provides gains; but if the state should fail to meet its obligations, China will move quickly to resolve things in its favour. The South Asian case of Hambantota port in Sri Lanka serves as a model, where China negotiated a ninety-nine-year bargain lease when Sri Lanka reneged on construction payments. African states watch and learn that while dealing with China can be a gamble, the advantages are the prospect of near-term financial gains, unambiguous conditions, and backing from an emerging great power with a reputation for being able to close deals.

India operates differently. India simply cannot keep pace with China's investment and trade expansion in Africa. Whereas ten years ago, India held a slim advantage over Chinese expenditures, now China has two time more than India's footprint. India has found it hard to match China's betting weight. Also, India's general strategy toward foreign investment in Africa is similar to Japan's in Southeast Asia, which emphasized infrastructure and capacity building. This provides long-term improvement but lacks immediate pay-offs. Emerging states needing fast liquidity may see India's approach as a better option over the long-term, but view China's potentially Faustian bargains for rapid growth as worth their risk.



Second meeting at Wuhan in early May was a less formal affair, reminiscent of mid-20th-century summits where leaders could forego the formalities and speak directly about their nations' collective concerns | Image: PTI

India may be playing catch up, but it is not giving up. Modi believes that upcoming India growth will outstrip China and allow it to claw its way back into the spending race. The plan is that increased state revenues will cover the costs of domestic development, military upgrades, and increased foreign investment. Not all economists agree with the Prime Minister's assessment, but even if this growth does materialize, India might still be facing dogged problems from its past. While India has certainly worked to enhance its international presence in the post-Soviet era, history fades slowly. India's rough transition into nationhood strained its relations with the outside world. From the 1950s through the 1980s, other states perceived India to be distrustful, aloof, and disdainful of playing by conventional rules of diplomacy. By the mid-1960s, India had largely retreated even from

organizations it helped to found in a quest to find its own “strategic space.” The problem was not that India was selfish or unpredictable; it was that they were impenetrable and left their interlocutors with little indication how to move negotiations further. India had been seen as a difficult partner.

More significant than these outside perceptions, though, are how India's past has informed its own decision-making. Stung badly by the colonial administration, the politics of independence, Partition, and the UN's refusal to address issues arising from the First Kashmir War, Indian leaders and statesmen have developed habits that have at times stunted India's objectives, and at times still do. Put in very general terms—and with respects to Pratap Bhanu Mehta's work—one is that India is obsessed with its own sovereignty, which is unsurprising given their history with the British. This attitude has been especially disruptive for its relations within the Subcontinent, where it shuns ceding any increments of authority to states that had been historically within their orbit. India also places great importance on its status, which it feels it has earned from its prior great empires. As a result, it seeks deference from states that may not share India's sense of self-importance, hampering cooperation and diplomatic ties. This often plays out through an attitude of entitlement that shapes India's approach to negotiations. India does not like to bargain, but would rather explain why they should receive the result they desire. This is at odds with the common horse-trading practices expected among states. Finally, India does not tend to operate within typical realist or liberal foreign policy models. India understands power but is not fixated on having it and using it in conventional ways. Nor is it willing to surrender autonomy to international organizations. It works within its own conception of a normative world order, independent of the realist/liberal dyad. Essentially India does its own thing, regardless.

India's niggling and disruptive tendencies and other states' subsequent perceptions of it have only made it need to put forth greater effort to achieve its goals. Narendra Modi has made a concentrated effort to reverse India's image and operations. His country has made very impressive strides in recent years, but it faces a demanding task competing with both a powerful China and the ghosts of its own past. It should be stated that China clearly has its own liabilities as well. States are suspicious of its size, severity, and ulterior motives. But in their close competition for resources and emerging markets, small advantages are critical. India's reputation as a fussy colleague still creates friction, while China's current can-do credibility facilitates deal-making. Ultimately, China offers clarity without transparency. India, transparency without clarity. Right now, with the global south in the midst of a tenuous transition with little margin for error, its states may continue to grasp for China's clarity unless India can shake off its past and make itself and its plans more accessible.

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