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"Global India answers listeners' questions"

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Guest:

TARA VARMA
Visiting Fellow, Foreign Policy, Center on the United States and Europe
The Brookings Institution

Host:

TANVI MADAN
Senior Fellow, Foreign Policy, Center for East Asia Policy Studies
The Brookings Institution

Episode Summary:

Host Tanvi Madan and Tara Varma, a visiting fellow in the Center on the United States and Europe, open the *Global India* podcast mailbag to answer questions sent in by listeners.

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MADAN: Welcome to Global India. I'm Tanvi Madan, a senior fellow at the Brookings Institution, where I specialize in Indian foreign policy. This is the last episode of our first season, which is focused on India's relationship with China, and why and how China-India ties are shaping New Delhi's view of the world and its choices.

On this episode, we're digging into our mailbag and will be answering questions about India-China relations submitted by our listeners. Thanks to those of you who submitted questions. Joining me to answer those question is a special guest, my colleague Tara Varma, who is a visiting fellow in the Center on the States and Europe at Brookings, where, among other things, she researches Indo-Pacific security issues, particularly from the vantage point of France and Europe more broadly.

Welcome to the podcast, Tara.

VARMA: Hi, Tanvi. Hi, everyone. It's great to be here.

MADAN: Tara, you've lived and worked in both India and China. What was your impression of Chinese perceptions of India?

01:06 Tara Varma's impression of Chinese perceptions of India

VARMA: So, I lived in China ten years ago. And I would say at the time when the world was vastly different and India's position and assumptions about the world were also different. When I was in China, India was really seen as a third world country, not at all on par with China. And I feel like that perception was partly shared also by a number of powers today. They really didn't view China and India in the same way.

It was still the "El Dorado" time of China. So, there were American companies, European companies, American and European governments really eager to get into the Chinese market.

I used to live in Shanghai, and I remember reading about China in the American and European press, and people were talking about the rise of China. But living there, sitting there, it really seemed like China had risen.

And I think there was also this perception, I think this misperception that we had about China, that I think we're paying for a little bit now.

But there was a sense, from the Chinese perspective that India was vastly different, more chaotic. There was the democratic element, but that was really portrayed in a very negative manner, precisely because of chaos and anarchy and things not working well.

People in China really highlighted that, you know, there were infrastructures that worked, a vastly well-performing economy, an attractivity to China that wasn't the same when it came to India. They were really perceived in very different ways.

And so, when I told my Chinese colleagues that I would visit India for the holidays or to work, they would actually warn me to be careful, to take special care. It seemed to them like I was really going into a place, yeah, totally different from China with no security. So, that was very interesting to me. And when we discussed it, I tried to explain to them what my perception of India was and how different indeed the two were.

But at the same time, these were two countries with a population of over 1 billion people, economies growing. And it's true, vastly different economic, political, governance systems. But it was really interesting to compare the two.

MADAN: It is interesting because when I first started working at Brookings in 2003, in that mid-2000s to late-2000s period, here in Washington you were starting to hear India-China comparisons, and it had entirely to do with capabilities. And we see that yo-yoing when the Indian economy is doing well in particular, but I think in that mid- to late-2000s, it was also about the nuclear tests and the discussions after that. But also, India's stronger military in some senses, its willingness to work with countries. You did hear those comparisons. And then when there was a sense of a little bit of a lull in not just U.S.-India relations, but the Indian economy, you did stop hearing those comparisons.

03:52 Have Chinese perceptions of India changed more recently?

So, I think in some ways, I wonder if it's also connected to how India's capabilities are seen, which is why you're seeing a somewhat different perspective from China now on India, at least if *Global Times* is to be believed.

VARMA: And I'll add precisely on that. One of the points of comparison that was shared in India, China, and the West generally was at the time that China was so much more efficient. In China, you could get things done. And that was kind of a myth also, because when you were living in China, you realized there were protests around the environment, there were protests that were crushed. There were claims from the population that were crushed. It was not so easy.

But indeed, even people in India at the time were saying, well, look, maybe the Chinese model is the one to follow where you get infrastructure, and you get efficiency. And so, when you said, okay, but first of all not everything is efficient, and if this efficiency comes at the cost of democracy, then that probably says something about the system.

It was really not a time where this argument was heard at all. People were looking at China with bright eyes and they really saw it as a model.

We were still, I think, in that myth, also encouraged by the West. I mean, people were very enthusiastic about what could be done in China. Not only for economic and financial benefits, but also as a way for them to show that China could be turned from an authoritarian regime, a dictatorship, not to a democracy, but at least maybe to a less authoritarian, more open regime. And we've seen how that has evolved since then.

05:19 Has India's China policy been characterized more by appeasement than by pragmatism?

MADAN: With that, let's now dive into the mailbag.

VARMA: We've received a cluster of questions, actually, about the adequacy of India's balancing strategy vis-à-vis China. One listener says the challenge from China has only grown and asks if India's China policy has been less characterized by pragmatism than by appeasement, showing, and I quote, "extraordinary sensitivity towards Beijing." There are also several questions asking what are India's options?

MADAN: Tara, I think there are two parts of this question. One is India's past approach, of which there's often discussion. And the second is on India's options ahead. I think if you look at that first question about "was it pragmatism or appeasement," I think if you look

back, you see that almost every Indian government has seen China as a challenge. And I would say this goes back to almost 1949 at least.

But what the different governments, including sometimes within the course of a government, there's been differences over their assessments over the nature, extent, and urgency of the challenge that China poses and differences on what best approach to take. And so, you have had questions over time about whether or not those assessments were right.

You see questions about Prime Minister Nehru and should he have got more in return from China, even a border settlement for the 1954 agreement with China on Tibet and recognizing Chinese suzerainty over Tibet. So, one question is, should he have got more from that or the question is, was he naive?

Or more recently, you have questions on whether Prime Minister Manmohan Singh should have not seemingly slow rolled certain balancing activities with partners such as the United States to reassure China. Or whether Prime Minister Narendra Modi should not have given Xi Jinping the benefit of the doubt, both in that 2014–2015 period or in 2018-2019.

So, you hear these questions. But I think in each case those judgments that the prime ministers made, and you can say that they were inaccurate, but in their own way it wasn't about appeasement. It was an assessment of, or the calculation of their constraints—of India's constraints—their sense of India's other priorities, and their theories of deterrence.

So, in many cases, each of these leaders that I mentioned, but others as well, thought that by indeed engaging with China economically, say, or settling, stabilizing Tibet issue that they thought part of what they were doing was deterring China through diplomacy, and through having a good relationship with this partner and neighbor that India had to grapple with so they could focus on Indian growth and development. So, that was a judgment call.

Now you can say that they were wrong, but then you have to think through their calculations about tradeoffs and think about whether or not other tradeoffs were possible. And I think you've seen the debate about these tradeoffs essentially in some ways be the same since India became independent, which is guns versus butter. Do you want to spend money on development versus defense? So, somebody like me would say, look, I think that calculation was wrong in the beginning. Deterrence also needs not just diplomacy but strong defense.

But there were tradeoffs. If you spent that money on defense, it would take away from development funding. Or you see another trade off was the China challenge or the Pakistan challenge. Now we see them as linked, but essentially, especially when you were resource constrained or capability constrained, you had to figure out which was your priority challenge and deal with that. And I think at many times, Indian policymakers have prioritized the Pakistan challenge over the China challenge.

And then I think a third tradeoff that leaders have often themselves had to deal with and struggle with in some ways is the autonomy versus alignment. And I don't say alliance, but autonomy versus alignment. Tara, you are French and work on France. And so, you know about strategic autonomy. But this idea that you don't want to ally. And so, when people said, oh you know, India should have looked at this differently in the '40s and '50s or even in the 2000s, the question was, would India then have been willing to do the kind of things with partners that would have been perhaps asked for in return, including a much closer

security relationship? And many of the people who say that India shouldn't do those things are also the people who criticize kind of China policy.

But again, this comes down to tradeoffs. And like I said, you can argue that various policymakers have made inaccurate assumptions about the timeline, you know, when China would be a challenge. They might have had some mirror imaging, assuming that China would set aside geopolitical differences to focus on economic development, just like India was. Or you could say that they made wrong assumptions about the effectiveness of personal diplomacy.

And I think it is reasonable to debate these questions about the choices that Indian policymakers have made. But ideally, you should debate them not to pass judgment on these leaders, because I have learned to be humble about thinking through constraints that policymakers face. But thinking through and debating these issues to see what lessons can be learned. How do you make sure that you get these things right the next time around?

Briefly, in terms of the way forward, I actually think the contours of India's options are already in place. I think the question is, should India be doing it at a different pace and to a different degree. But I think what you've seen is largely thinking about a broad deterrence approach through diplomacy, through agreements, and through developing strength and partnerships.

And so, I think it comes down to, one, building India's own capabilities across the board. Second, a network of external partners that both helps build those capabilities, but also shapes a favorable balance of power in the region.

And then I think the question, perhaps, on which there's the most debate in India, and it's going on right now, is how much do you dialogue with China? Do you dialogue with China? And for what? To stabilize the border for crisis prevention or for something more, for some sort of normalization? That's usually the third leg. And so, I think that'll be the most debated.

But otherwise in terms of building capabilities and developing partnerships, I think you've seen India do that. One could question, is it fast enough? Does it go far enough? But nonetheless, I think the contours are in place.

VARMA: So, strategic autonomy in a word, in two words.

MADAN: Autonomy, but also accompanied by alignment. I don't think autonomy and alignment are mutually exclusive. I actually think over time, alignment on shared interests could actually help India build that autonomy over time as France has done over the course of its history.

12:13 What would it take for China to consider India as equal in stature?

One other question that's related to this capabilities, balancing question, this broad issue of how China sees India or what might deter it. Related to that, we've got a question from a listener, Omkar, who asks, what would it take for China to consider India as equal in stature?

VARMA: I think the building of alliances, partnerships, special relationships, let's say, is part of it. I don't know if China can overcome really the underlying sense that India will always be weaker. I really think that's something that is built in the Chinese political

system. The 1962 military defeat is also very present in their mind. They've seen India attempt to build more capabilities and develop new relationships.

But there is a sense for China, and I would say, particularly since Xi Jinping, that it is meant to be on its own, it's making the world more dependent on China while making China less dependent on the world. And I think fundamentally, it believes that you need to be on your own to be able to defend yourself. And I don't think it sees India as being capable of it.

It's looking at developments that India is doing and the special place that India is taking in the world right now very acutely. It doesn't escape the Chinese eye that India wants to take more place, whether it's with the Global South or with the Global North, actually. I think that's very clear in China's mind. And you see all these op-eds, in the *Global Times* and *People's Daily* every time, there is some kind of a positive coverage of what India is doing, it's immediately run down, turned down in the Chinese official press. And I think there is a sense to that because any idea that people could have that China and India could be on par is really something that Beijing wants to downplay as much as possible.

The reality of the matter is today, the world is still very much dependent on China's value chains and supply chains. Many companies in the U.S. and Europe are thinking about how they could switch parts of their dependency on China to India, because India is more democratic. It's a special partner. It makes sense to invest in it in the years to come. Most of the economic growth is going to come from that region. Population is young, it's well-educated now. So, you see a lot of positive perspective coming out of India.

But it's not so easy to change 25 years of investment. The landscape of infrastructure between China and India is vastly different. India has gone in a way already to the Fourth Industrial Revolution, not really doing the second and the third, at least not pushing it as much as possible. And there's a lot that you can do in the digital world.

But for growth to happen, you need factories, you need people, you need to train the people who will be working in the factories, and you need to procure the critical raw materials, the critical materials, to get these factories working. For this, you need hard infrastructure. India doesn't have to replicate everything that China did. We're in a different world now, so India will have to find its way to do it. I'm not sure that we can just say, well, you know, let's just give up on China and switch to India. Materially, practically, I don't think that's possible. And also, there are still a lot of companies who don't want to give up on China.

So, we see a bit of a discrepancy here between official governmental policies and declarations and the reality on the ground from the companies' side who are saying, well, for the time being, it would cost us much more to leave China and to go to India where it would be another level of investment. And we're not saying we won't make this decision, but we'll make it basically when we will have no other choice.

And so, I think, people in China are also following these developments, and they see this discrepancy between the policy world and the economic world. And they're counting on it a little bit, because inside China, you see also a very complicated economic situation. Major financial, real estate companies are just crashing completely. There are many questions about what to do with the overproduction that China used to export very easily. And what we're seeing now with not decoupling anymore, but the de-risking strategies that are adopted by a number of governments, they're going to play against China's hand.

So, China is looking at all of this. I think it's conscious of these headwinds that are moving towards India. But I really don't see it as perceiving India to be equal to it for the time being. That might change, but I think there is something there that won't change for the time.

MADAN: I remember Professor Susan Shirk many years ago wrote about the asymmetry in how India and China see each other. Where for China, it's distant, it didn't really figure as much. But for India it loomed really large. And as you said, the 1962 war for India looms much larger. But if you went to the PLA museum, the People's Liberation Army Museum, in Beijing, I don't know what the situation is today, but when I visited it, you saw major displays for what were called the so-called "wars of aggression" by other powers. So, there was a war of aggression by the U.S., which was the Korean War, the war of aggression by the Soviets, the war of aggression by the Japanese. I was looking around for the quote unquote, "war of aggression by India" exhibit, and you couldn't really find it because somebody told me it was up on another floor, and it was a tiny exhibit because it didn't loom as large.

So, I think, as you said, there is this difference. I think obviously it's changed; India is probably more in the mind space than it was when Professor Shirk wrote about this, but nonetheless still seen from a different view than India sees China.

17:38 Should the US sell F-35 fighters to India? Are India and the US engaging on China's activities in India's neighborhood?

VARMA: We've also had a couple of questions about the U.S. One is whether, given reports of China providing Pakistan stealth fighters, shouldn't the U.S. consider selling F-35s to India? Another from Ashok is, are India and the U.S. engaging on China's increasing activities in India's neighborhood?

MADAN: With the F-35 question, I wish that I could phone a friend, one of our guests, perhaps, who've been on the show, Joshua White, Raji Rajagopalan, or Walter Ladwig, who work on this much more closely. I'll just say that it's not clear, for example, that India necessarily wants F-35s, either because of the cost or because India intends to have its own indigenous option. But it might in the future, depending on a sense of urgency, et cetera. That would require India to make certain choices with regard to, for example, the Russian equipment it has or other options to make this a more palatable offer for the U.S. to make. In the meantime, you do have a number of other allies and partners who do want, much more readily want, that aircraft.

So, I think that's a question that will be debated for a while, but it would require the kind of choices it's not clear that India either wants to or could make at this stage or in the near term.

On the question of India's neighborhood and are India and the U.S. engaging. Yes, they are. This is the one place the increasing intensity of the China challenge has changed how India sees not just the activities of the U.S. but other like-minded partners like Japan, Australia, Britain, France, in South Asia. I think there was a traditional sense, as you know, of a bit of a what in the U.S. would think of the Monroe Doctrine, which is this is our neighborhood and other external powers should essentially stay out.

I think what you've seen now is China's activities and influence have grown in South Asia, not just in Pakistan, but across the board in every one of India's near neighborhood. You've seen India change its attitude towards these other partners and saying, look, India

is no longer has a monopoly, it's a more competitive space, as one of our other guests, Constantino Xavier, has pointed out. And therefore, while it can provide some alternatives, it cannot necessarily match the scale or the speed of what China is doing. And so, it's become more open to partnership.

So, you've seen this on the economic side with, for example, India facilitating the U.S. Millennium Challenge Corporation compact with Nepal. You've seen India welcoming the U.S.-Maldives defense agreement from a few years ago, which would have been unheard of a few years before that. Or you've seen more recently the Development Finance Corporation from the U.S. finance a port development project in Sri Lanka that will be undertaken by an Indian company.

And so, you're seeing these ways that I think are different and a departure from the past. This doesn't mean that India and the U.S. agree on the neighborhood. I think there's been a fair bit of discussion on, for example, the differences between India and the U.S. on Bangladesh and the recent elections there. Nonetheless, I think what you've seen is the two countries be willing to manage those differences and consult with each other. So, there are these kind of regional consultations now.

I think the other thing to watch is not just India-U.S. consultations and coordination, maybe even collaboration in India's immediate neighborhood, but in its extended neighborhood. So, in the Middle East, or what India calls West Asia, or Southeast Asia, or the Indian Ocean region more broadly. And I think you've seen the announcement of an Indian Ocean dialogue. It'll be interesting to see where that goes in the months and years ahead.

21:24 Why hasn't China been able to cement its place as a regional hegemon, à la the US in North America?

While we're talking about the region, we've also had a question flipping the regional dominance question around from Yudhishtir, who asks, how come China hasn't been able to cement its place as a, quote, "regional hegemon, like the U.S. in North America?" And he asks, is it because of geography? Effective balancing by other actors? Tara, what's your view?

VARMA: So, China is the top trading partner of most of the countries in the region. It's actually the top trading partner of 120 countries in the world. So, it's developed a strategy of some kind of an economic dominance or at least interdependency. But it has also gone to war with India. It's gone to war with Vietnam. It's seen as a coercive actor.

And so, I think countries in the region, when they say, while talking about Indo-Pacific strategies, that they don't want to be forced to choose, it really is about that. It's that they can't afford really to turn away from China. But at the same time, they know that what China is aspiring to or is providing them as a model is not something that they adhere to completely. And so, we're in this situation where everyone is balancing. I think that's the complexity of the world that we're seeing now.

And I would say, particularly since Russia's full-scale invasion of Ukraine two years ago, we're seeing multiple layers of complexity. It's not just a zero-sum game. It's not because other partners or countries are growing stronger, that some are growing weaker. It's just that everyone simultaneously is growing stronger.

And so, what we're seeing about China is that it is also being confronted to this. I think it had hoped to become not really a regional hegemon. China aspires to be a global

hegemon. And I think that's also the reality. And we're seeing this being asserted in official documents, global security initiatives, global development initiatives, of course, the Belt and Road Initiative, which has existed now for the past ten years.

We have no idea what the real figures around the Belt and Road are. At the very beginning of the initiative. It was said that the whole budget of it, loans and grants, would be around $900 billion. I don't know if that is true. There are some ways to track concretely whether some of the roads and ports and highways have actually been constructed, but to know whether these were grants or loan, once again, we don't really know.

The debt question around the BRI, the Belt and Road Initiative, is a huge one. And I think a number of partners and countries in the region to China have also … they've come back from their enthusiasm of it. Because it is true that originally China's proposition was very appealing. We're coming to you with loans and grants to help you build your country, build concrete infrastructure, contribute to economic growth, provide jobs for your population. And contrary to the U.S. and Europe, we will ask for nothing in return. There'll be no post-colonial agenda. We won't be asking for us to share values. We're just making you a business proposition that is mutually beneficial. And it's what they called a win-win situation.

I think what we've seen here again is that that is not always true. Some of the conditional loans, particularly in some countries in Africa, have been impossible to reimburse for countries in the region. And there's a huge question about whether the CCP and the Chinese government knew this from the start. And so, what they've been doing is "agreeing," in quotes, to cancel the debts in exchange for some critical infrastructure that the country would give them. One example that I have in mind is Djibouti, where they now have a military base. They've been doing this little by little in a number of countries. So, there is a true strategy there.

Once again, in the region, countries see that. They're lucid about it. They're not naive. But they say themselves, we can't afford to turn our back on China. We can't afford to turn it away. It wouldn't make sense for us. We have to live in this world where we're working with China. We're working with the U.S. We're working with India. We're working with the ASEAN. We're interested in what the Europeans have to offer from an economic standpoint. And we have to live with all of this, which I think is also fine. It's just the reality of the situation.

I think it's much harder for us in the West because we did think for a long time of things as just a zero-sum game. I think we have to look at all these multiple, complex layers and understand and assess what are the interests of all of our partners. And if we push them to choose, I'm afraid they might not choose us.

25:53 Is the Quad (Australia, Japan, India, the US) a balancer or buck passer when it comes China?

In terms of balancing, again, there is a question about another key word here, which is the Quad. Noting that that grouping of Australia, India, Japan and the U.S. has raised China's hackles, one listener, Praveer, asks, given the largely unstructured—for example, it does not have a secretariat—and nonmilitary, at least not overtly, nature of the Quad, is it right to believe that Quad is meant to balance China? Moreover, even if it is to some extent meant to balance China, isn't the balancing behavior of Quad members more of a buck passing? Unquote.

MADAN: I think I would actually say that the Quad isn't about buck passing, it's about burden sharing. And it's about four countries, four maritime democracies who do have a shared vision of the Indo-Pacific. Want to see the rules-based order prevail. Want to see countries having the freedom to choose. And four countries that have concerns, and shared concerns, though not identical concerns, about what poses a challenge to that vision of the region.

It's not the only challenge, but they do see, I think, one of the primary challenges as a rising China's assertive behavior. So, it's not just about China's rise, its capabilities, but the way it's been behaving in terms of coercion, and potential conflict in the region.

So, I think you have four countries who have this shared vision, have a shared sense of the challenge, and also all recognize that no one country can or wants to deal with that challenge on its own.

And so, I think what you've seen the Quad try to do is have two lines of effort. One is a whole set of activities around shaping a favorable balance of power in the region, which contributes to deterrence, shapes China's calculations.

But I think there should be an understanding the Quad alone can't do this. So, it's part of a network of alliances, coalitions and partnerships that is shaping that favorable balance of power. And therefore, tries to shape China's calculations.

I think the second line of effort is building resilience in the region, whether that is in terms of countries' capacities for maritime security, whether that's in the health space or the climate space. The idea being for countries to be able to have an ability to detect challenges, deny those challenges, as well as have the capacity to respond to challenges that emerge.

So, I think what this is, is these four countries realizing that it makes sense for countries in a resource constrained environment to try to share that burden, since they do share a vision, the sense of challenge, and the idea that it's not worth doing alone.

So, don't think of the kind of European style collective defense of the Cold War approach, but think of collaborative security as what the Quad is trying to do across the board. As the Quad says, it's a force for public good. So, health security, climate security, maritime security in terms of combating illegal and unreported fishing as well.

29:17 Is a Russia-West reset possible and is there a role for India, which doesn't like Russia getting more dependent on China?

Now, we have one more question on the balancing strategy front, this time from the mysterious Mr. A, related to India's balancing strategy vis-à-vis China that traditionally included a role for Russia, which is now partnering with Beijing. It follows up on our episode with Nivedita Kapoor on India's view of China-Russia ties. And the listener asks, Will India be able to re-accommodate Russia with the Western world in the medium- to long- term? Tara, is such a Russia-West reset possible and is there a role to play for India which wants to stall or reverse deepening Sino-Russian ties?

VARMA: This is the question of the moment. We have actually a collection of essays coming up with colleagues from Brookings about the future of the aid to Ukraine, what Europe and the West can do to support it. But there are questions about Russia in there, too. And right now, to be honest, a reset seems not possible. For Europe, the fate of Ukraine is really now tied to its destiny.

And so, if there is a termination to the war that is in favorable terms to Ukraine and that ensures its security for the long term, I think that will be time, then, to think about the future of the relationship to Russia, because a number of countries, including my own, say that you can't change geography. Russia is always going to be there. On the fence, inside, outside Europe. And so, we have to find a way to work with it.

Right now, honestly, most European countries really see Russia as the long-term enemy, the long-term adversary. It has had brazen attitudes in Ukraine. It's been destroying the country for the past two years, destroying the infrastructure, targeting civilian populations. Putin has said and alluded to not so vaguely about the fact that it he could go beyond Ukraine, he could go maybe to NATO member states. And the declarations a few days ago by former President Donald Trump about the fact that he would actually encourage Putin to invade European countries if they were not paying up on defense, I think has really sent chills to everyone in Europe recently.

And so, if you listen to Putin, he says the war can end if Ukraine fully capitulates and then we'll agree to negotiate. I think, that is definitely impossible for us. And so, we're also talking with a country in front of us that manifestly doesn't want some form of a cooperation or a reset. I'm not saying it's never going to happen, but it is very complicated.

31:51 India, the US, and Europe's views on China-Russia ties

Where I see a shared interest for Europeans and Americans and India is definitely in wanting to stall deepening Sino-Russian ties. And I would say in the European case in particular, because Europe has been fairly scared by a number of American declarations on China, I would say, particularly last year with the balloon incident, and the acceleration of tensions. We saw a moment where war with China was actually evoked here in Washington fairly openly, in a way that it is absolutely not in Europe.

And Europe doesn't want to give up totally on its economic and trade relationship with China. But it definitely sees now these deepening Sino-Russian ties as having terrible consequences on its relationship with China.

So, I think this is one area where if India wanted to act more, wanted to be more open, I think there would be space for Europeans to want that, because India is definitely in this very unique position where it feels like it's equidistant with Europe, the U.S., and Russia in a way that no other country is in the world right now. And it seems that from the outside at least, that it has this access almost in an equal manner. So, if there was a way in which Modi or the Indian government could lean on Putin, I think that would definitely be helpful.

I think India also needs to be realistic about the fact that for the time being, Europe will not give up on the China relationship. One of the major European countries, Germany, the most important economic power, relies mostly on its exports to China. And so, I don't see it giving up. Its already given up on its dependency on Russian oil in the past two years. If it gives up on the economic relationship with China, then it seriously puts its economic might at risk. And in a way, the centrality of Germany in the European system is also linked to its economic might. So, if suddenly Germany is not so central economically, it might lose some of its centrality in political terms. And that also totally changes the balance of power in Europe.

So, all these things have consequences and ramifications. But I think we have a shared interest in stalling these deepening Sino-Russian ties. Though I have to be honest, if I look at the news, analyze what we're seeing, we're looking at an increasingly isolated Russia

counting indeed on China, on Iran, on North Korea. This doesn't seem like a country that wants to find a way out of this situation with partners. So, I'm not saying that we should totally give up. Diplomacy should do what it's supposed to do, but it does seem that we are at a bit of an impasse right now.

34:28 Could India's position on Taiwan evolve if there are new developments on the China-India border?

From European scenarios to Indo-Pacific ones, we have a question from listener Veyd, which is, could India's position on Taiwan evolve if there are additional developments at the Sino-Indian border?

MADAN: We spoke a little bit about this on our episode on Tibet and Taiwan with our colleague Ryan Haas. I think you've already seen India's position on Taiwan evolve in at least two ways since China-India ties have deteriorated. One is that it has become somewhat less cautious about commenting on or talking about Taiwan in general. And even in terms of, as I'd mentioned in that episode, Indian ministers appearing at Taiwanese companies' inaugurations in India, or Taiwan just becoming a more visible both actor and getting a lot more coverage in India. So, much more Taiwan awareness in India and in Indian government. But also because of developments in the last few years around the Taiwan Strait has been a bit more vocal on the issue, even if not as vocal as some would like.

But I think the second way you've seen India's position vis-à-vis Taiwan evolve thanks to its concerns about China, is on the de-risking front. So, you've seen India want to de-risk its economy. And part of that is doing it through diversification but also indigenization. And so, this idea of encouraging not just Western companies to come invest in India, but also Taiwanese ones. And so, I think you've seen this both in the computer space, as well as in the phone space. And so, electronics more broadly, where you've seen Taiwanese companies show renewed interest in India.

So, I think you've already seen how developments at the border have a direct line to how India sees these issues. But I think in the future, you can also see developments at the border playing a role. How and in what direction depends on the context. If there's another escalation by China at the border, you could see it cement these trends. And India's competition with China further make it much more open about where it stands on these issues, keeping in mind that China remains an Indian neighbor.

But on the other hand, you could argue that if there is an escalation at the border, it could also absorb more of India's resources and attention. So, I think it depends on the circumstances. It also depends on who is in power at the time and what their judgments are on the same set of facts, for example, about what would be helpful in terms of tackling their challenge at the border.

37:09 Why are China and India competing for influence vis-a-vis the Global South?

Tara, we've been talking a fair bit about the Indo-Pacific, but looking beyond the region, listener Nivan has asked, why are both China and India racing to court the Global South. Except for moral gains, he asks, what does the Global South have to offer? And between China and India, is there a frontrunner?

VARMA: We alluded to earlier in our discussion to this fragmentation of the world and the fact that countries don't want to choose. We're not in a bipolar world anymore. We're not in

a tri-polar world where—some people in Europe really don't like that when we say it, but we are somehow in a multipolar world, at least countries don't want to choose.

And so, India and China are racing to the Global South, I think, because they realize that a number of countries will want to work with India, the U.S., Europe, Russia, Indonesia. They will not want to choose. They'll see where their interests lie and what proposition, what offer can be made to them.

And so, for me, actually the proposition goes way beyond moral gains. I think there's a true economic, trade interest here. Sometimes a security interest, maybe a holistic view of security. If you multiply partners, then you're less at risk suddenly of failing on the dependency on one of them. But also, if you have a multiplicity of them, then one of them might be less willing to attack you. So, I think there is also a sense that you protect yourself by talking to and working with a number of partners.

Still a sense in the way that economic interdependency works. We know the vulnerabilities linked to it. And we know what dangers they might represent. But at the same time, strength comes in numbers. And so, I think both India and China are very conscious of that, and they see opportunities there.

I think China has made a clearer proposition. The BRI is one of those examples, very concrete ones. People in the Global South know that they come with caveats. The Chinese proposition is not perfect, but it has the advantage of being laid out.

And so, the reality of the situation—and that goes beyond the Global South—is that China has a stake now in more than 60 ports in the world. They don't control it fully, but they have stakes basically in major maritime routes, in major trade routes. And we've seen how that impacts China. China at a moment when the Red Sea was really under a lot of pressure a few weeks ago, it didn't act as much as it could have on the international stage, but it did react and say something. And so, you could see that China also identifies very clearly when its interests are at risks.

I think India has yet to make that proposition. Last year, Prime Minister Narendra Modi said he wanted India to be one of the voices of the Global South. In a way, that's also a proposition, to say there's not one Global South. There are a multiplicity of voices. India can be one amongst many. It can bring or carry others with it. But I think that's already, of course, a very different message.

The question is, can India make a concrete proposition when it comes to infrastructure and economic gains? Because I think that's still what people are looking for. I think the Chinese proposition is out there. We know that it's not fully efficient, but at least it's clearer. I think India still has to make a case.

Between them, is there a frontrunner? Again, I think because the Chinese proposition is clearer, a number of countries want to go. But they also don't want to have to choose between India and China. I think we're also getting to that stage where the question that we get from a lot of partners is, why would we have to choose? There is one proposition from China where we would get all of these materials, all of these roads. And there's one proposition with India, which has now a larger voice on the international stage. And if suddenly we are supported by India to be a nonpermanent member of the UN Security

Council or to be more active on the international stage, well, that helps us. And why would they be mutually exclusive?

I think that India has probably a card to play here too, just to say, well, this is not about choosing. It's about making the best of each of these propositions for everyone. I think what is clear is that for now, neither the U.S. nor Europe have made a good offer to the Global South, a good concrete offer.

One small part of it is, is the IMEC, which was proposed at the G20 in Delhi last year. So, that's the India, Middle East, Europe Economic Corridor, which is, meant to link India, the Middle East, Europe through connectivity. I think in a way clearly an alternative to the BRI. But we have yet to see what funding comes from that, how concretely they're going to do it. The concrete proposition needs to come out of it. And also, we see now with developments in the Middle East, that it's not so easy to make it come to fruition. So, I think there is still a bit more work to do on our side.

MADAN: And of course, there are things India can offer, not just alone, but in places like Africa, which one of our listeners, Tamiru, asked about, with partners, including European partners, American partners, Japanese, and others who are also thinking about offering alternatives in that region in particular.

41:58 Is India making the right economic moves to compete with China?

VARMA: We've also received two kinds of questions in the economic domain, but on the bilateral front this time. The first cluster involves, Is India making the right moves to compete with China, particularly on the manufacturing fronts? And do some of its initiatives make more sense strategically than economically?

MADAN: So, I think there's little doubt that a strategic prism is now shaping India's economic and technology-related choices, but not just India's choices. I think that is the reality today, and it can't be wished away, is that several countries are now thinking about these issues as strategic choices. This is something, in fact, China pioneered in this era. Essentially it was decoupling while others were still talking about interdependence.

But I think you've also seen other countries now seeing these as strategic choices, because it is something that Beijing's behavior has brought on, something you alluded to earlier: its economic coercion or use of its economic levers to shape country's strategic and political choices has meant that countries like India see economic ties with China now much more as a vulnerability than as an opportunity, which they did in the past. So, I think there is no doubt that these are now not just economic choices, but strategic choices. And I think that will remain the case.

I think on the question of what India's approach has been more broadly, I think you've seen essentially India's economic security approach involve three prongs. One is limiting Chinese access to certain strategic sectors. The second is indigenization or reshoring. And the third is diversification or friendshoring. And I think you see this play out in the manufacturing space as well. I know there are some who say India shouldn't even be getting involved in increasing manufacturing. I don't think that's tenable for India. And I don't think it's kind of politically or from a political economy perspective tenable as well.

So, I think you have seen in that indigenization prong and in the diversification prong, you've seen the Indian government take some steps on the manufacturing front to try to attract investments, set up these production-linked incentive schemes. There's some

debate about how effective they are. I think some sectors have been more effective than others. And so, you've seen India also trying to build resilience in this space, try to attract or become part of global value chains in certain sectors.

And I think you've seen the Modi government try to invest in and build on what its predecessors did in terms of infrastructure and logistics to make it more attractive. Also signed some economic agreements or start renegotiating them, which had been stalled earlier, to try to overcome some of the trade barriers that have existed.

Having said that, I do think India could do more in this manufacturing space. Broader improvements in the business environment would help. I think a changed attitude towards imports, not just seeing exports as good and imports are bad but recognizing the connection between them.

And I think also providing more regulatory certainty to companies who these days do have other places to invest in. And so, some might say, you know, India is the only option. That's not necessarily the case. And I think more broadly what I would argue is that India shouldn't just be making the proposition that it's the non-China, but that India should be making the effective case that India is worth investing in or trading with or partnering with because it's India. And that that proposition itself is attractive.

45:33 How do you assess the potential of future economic cooperation between India and China?

VARMA: The second kind of bilateral economic question we've received is actually from the opposite perspective. Jörn notes that the PRC and Chinese companies will be crucial for the future rise of India, and asks, how do you assess the potential of future economic cooperation between the two states?

MADAN: For the reasons I mentioned, India will continue to look with skepticism at massively increasing economic ties with China. Even before the 2020 border crisis that we've talked about a lot this season, as our guest Ashok Malik pointed out, and our guests on the technology episodes, Trisha Ray and Pranay Kotasthane pointed out, India was concerned about the imbalance in ties between the two countries.

And so, you could see, for instance, that if the two countries find a way to stabilize the situation at the border, you could see an India that's more open to Chinese investment or projects in non-strategic sectors, but not in any sectors that India considers critical. And I think this is going to be particularly true in the technology or telecommunications space.

And I think you will see maybe some adjustments, partly because of India's effort to attract investment from other countries, more like-minded countries. You might see India make some adjustments in terms of allowing certain kinds of imports from China or certain kinds of training personnel from China to come help build capacity in India. And you're already seeing some shift there, some openness. But that's from a pragmatic perspective.

I don't think you're going to go back to the days of, at least in the near term, or even medium term, of India really seeing China as an economic partner, to build its future. I think you'll see some increase perhaps in imports from China in the near term. But I think slowly you will see the percentage of imports from China as a percentage of India's entire imports potentially fall over time. And I think you'll see the content of those imports change.

47:37 Contrasting positive and negative narratives about China: which is true?

Now a somewhat related positive trends or cooperation question we've received is from listener Debasmit, who says they have, quote, "observed positive aspects of China from many Indian vloggers showcasing world-class infrastructure and happy citizens. Yet contrasting narratives suggest government oppression. Could you please shed light on the reality?" Unquote. And relatedly, another question that we've got from a listener has been on how to learn about Chinese perspectives since one usually hears a lot more about Indian and Western perspectives. Tara?

VARMA: That's a hard question. These are hard questions, actually. So, as I said, it is true that there are a lot of people in India, not very recently, but a few years ago, who would say, well, something has to be said for the efficiency of the Chinese system, the Chinese economy, the attractiveness of it, precisely because there were all these infrastructures.

What we're seeing now is that China has played a bit too much into the infrastructure hand. And so, we're seeing real estate companies really crumble. We're seeing a number of infrastructure that were built. And particularly I'm thinking of high rises, buildings that people paid for that will never fully be built now, that will not be given to the people who paid for it. Part of the economy is really being severely hit in China by this.

And happy citizens? This puzzles me a bit more. I can see the infrastructure issue, I think there is a point in that. There were bullet trains in China a long time ago. Happy citizens I believe a bit less because I think China really has been an authoritarian regime for a long time. And under Xi Jinping we've seen this authoritarian turn actually go to the worse. And a number of Chinese scholars now say openly that China is a dictatorship. So, no capacity to protest on the citizens' side. A lot of control coming from the propaganda machine in terms of the information that is going into China—we all know about the internet firewall—a lot of control of what is given to Chinese citizens in terms of information.

We've seen the zero-COVID policy also. I think we've seen a very, very harsh Chinese government implement very harsh policies on its own citizens. Blocking access, forcing them to take COVID tests on a daily basis, not letting them travel as they want inside the country. We've seen if citizens are not behaving correctly, they get punished for it. So, if they don't get proper points on the social system, then they're not allowed to travel as they want. They can't go out of the country. The level of control on the population is huge.

So, I'm a bit … I'm certain there are people who are happy in China, but the idea that there are happy citizens and that that's the reality, I'm a lot more skeptical on. And I think it's also very dangerous to propagate that message because it is false. And it's extremely hard for scholars working on China to go in China right now. It's extremely hard for them to actually do field work and to be able to reflect and to tell the rest of the world what is happening. This is something that has been decided very consciously by the Chinese government.

Once again, the idea of for Xi Jinping is really to make the world dependent on China while making China independent of the world. And so, we need to understand that.

This is not to say that you need to write China off, but I think you need to be conscious and lucid and understand what the situation is on the ground. Chinese coercion is a reality. I mean, we've seen it. Australia was one of China's largest trading partners. Because it asked for an investigation on the origins of the COVID virus, suddenly there was a ban on

a number of products that Australia needed from China. And it was from one day to another very harsh situations.

China regularly opens up these controversies on the borders. And so, last summer it released a map where Arunachal Pradesh suddenly was part of China. But actually, the Philippines and Malaysia also contested that. So, we see a government that I guess is not just coming with good intentions.

I think the question about the Chinese perspectives is really, really important. And a lot of Chinese scholars have also not been able to come to America and Europe. And I know that there are a number of think tanks and organizations now actually working to get some Chinese scholars to come here to renew contacts, at least people-to-people exchanges, because these are absolutely crucial.

I would say just on the human level they're important. But if you think of the role that China plays on the international stage, and clearly that ambition to play even more, we need to understand these perspectives. We get some of the Chinese journals, we read them, but I think the people-to-people contact are really crucial. And they're even more crucial at a time where actually the control on people coming from the government side is increasing day-by-day.

We've reached with China a state that has instituted state capitalism and digital control, almost full digital control of its population. So, it is going to be hard. But we definitely need these Chinese perspectives, and we need to be able to provide them with our own perspectives in as pacified way as possible.

MADAN: And I think you've seen efforts in the U.S., at least, that I'm aware of, of these kind of great translation projects, which is taking the writings that we do have that are in Mandarin and translating them. So, you get a wider access. Of course, there's a problem that some data has been made now inaccessible from outside.

But I would encourage efforts like that in India if they don't already exist, either alone or in conjunction with other like-minded partners, where you can find ways to pool in these resources. There's some great newsletters now in India from China watchers that are also worth subscribing to. And so, I think you do see that there are ways. But of course, for the reasons you said, a more closed society than even it was five, ten years ago, makes that effort harder.

53:25 Is there potential for a thaw in India-China ties?

VARMA: Finally, we've received a cluster of questions on the potential for a thaw in India-China ties. Might there be a mutually agreed cooldown to the current face off? Sidhant, for instance, asks how can both states build trust and mutual understanding? And there's also a question, will they ever resolve their (India and China) border dispute?

MADAN: So, I think the resolution of the border dispute is some ways away. But let me tackle that thaw question or the cooldown question. And the reason I'm going to tackle this, and it's perhaps a good question towards the end of this episode, because it's a question I get the most in the U.S. these days, which is, are China and India going to reach some sort of grand bargain or settlement?

I think what you could see is some sort of cool down in the sense of what the U.S. and Australia and others are doing, which is a stabilization effort to set a floor in the relationship, to ensure that you don't see a crisis escalation again. But that would require

one of the two countries or perhaps both to move a little from what their positions have been. India's position has been as long as the situation of the border is not normal, the broader relationship can't go to normal. China said set aside what happened at the border and just move on. And so, there has to be some give. The question is, is a cooldown possible? Yes. But on what and whose terms? And so, I think you could see that.

Now, what I think this kind of effort for a thaw would require in part is, for example, on the Chinese side, perhaps a recalculation of the situation it faces. One is you could see a China that feels under pressure from the U.S., an assessment that things might get worse under President Trump, or at least it would be much more uncertain. But also, a China that's facing more economic headwinds that you mentioned earlier, that that China says, okay, I want to ease this front a bit, at least for the short- to medium-term. A thaw would require some sort of recalculation from China.

From India's perspective, I think you could see an argument in India to say yes to that kind of dialogue that China might propose stemming from a desire for more space and time to do the things it wants to do to be able to grow in strength, for example, and be able to balance China in other ways.

I think Indian policymakers also don't want a crisis. It's unpredictable. You don't know how it might pan out. So, I think efforts to prevent such a crisis through dialogue might be palatable or even attractive to India.

I think the other thing is you could see some in India concerned about other countries, whether the U.S., Japan, Australia, even Europe actually having these dialogues with China, and becoming concerned about defection, so to speak. That others are going to leave India holding the bag. And so, you might see some calls for that reason.

And then finally, I think India would also be thinking about the prospect of a second Trump presidency and the uncertainty that would bring. And just like in the fall of 2017, where you saw India agreeing to Chinese efforts to reach out, to stabilize ties, you could see that. Though I think 2020 has changed things.

So, what I think you might see, if you see these circumstances, but particularly after the Indian election, because I think for any such agreement, even in India, to have this discussion beyond a certain point, it would have to be a government that is more politically comfortable. So, post-election, where government has a mandate, and a China that's actually making an effort, so that that's something for the Indian leadership to show to the Indian public. I think then you could see some sort of dialogue stabilization effort.

But I find it hard to believe that you're going to see some major structural shift or grand bargain between India and China. Their differences aren't just about the border. That is not going to be resolved anytime soon. It's not even clear that both sides might disengage at the border standoff points. It's unlikely that they will de-escalate in a significant fashion, or at least to pre-2020 levels.

And even if you resolve the border tomorrow, there are all the other issues, including competition in the Global South, in the Indian Ocean region, not to mention China strengthening India's rival, Pakistan, for instance, or the economic differences that the two sides have.

So, stabilization maybe, but not a structural change in the fundamental competition between the two Asian giants.

58:04 Lightning Round: What is the biggest myth you hear in Europe about India-China ties?

With that, Tara, I want to ask you a question, a lightning round question, that we end all our episodes with, which is, what is the biggest myth or misunderstanding you hear about India-China ties in Europe?

VARMA: I think the biggest misunderstanding is mostly due to ignorance, to be honest. I think there is little sense in Europe, even in major European capitals that have special ties with India, of what India's foreign policy priorities are. And so, I think people really underestimate or just don't know about how China is central to India's strategic thinking and how the 1962 defeat is central to it and how it's really built the future of its foreign policy.

But I think people also really don't know, at least didn't know until Russia's full-scale invasion of Ukraine, of the closeness of India-Russia ties, and how now the India, Russia, China triangle is making India's life very complicated, not just with itself, but also with its partners. And so, I think that's mostly maybe India not communicating it enough and maybe us not understanding it enough.

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MADAN: With zero humility, I would suggest that if they do want more information, they should listen to the entirety of season one of our *Global India* podcast, which we are now concluding with this episode. I want to thank our team here at Brookings that has helped put this together. But also, I want to thank our audience that has listened along for the whole season. If you do have questions about the season, please do email us at Global India at Brookings dot edu. But with that, let me sign off. And thanks to all our listeners.

Thank you for tuning in to the *Global India* podcast. I'm Tanvi Madan, senior fellow in the Foreign Policy program at the Brookings Institution. You can find research about India and more episodes of this show on our website, Brookings dot edu slash Global India.

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