

# IDSA

## *Issue Brief*

# External Balancing in India's China Policy

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## **S***ummary*

External balancing emerged as a component in India's foreign policy during the last stages of the 1962 War with China and persisted until the collapse of the Soviet Union in 1991. It is once again emerging as an element in India's China policy because of the combination of the yawning power asymmetry between India and China and China's turn towards assertive behaviour and territorial claims. What form external balancing eventually assumes is likely to be determined by the scale and intensity of China's challenge as well as the level of commitment and support that India and its partners seek and extend in their respective interactions with China.

External balancing, that is, the forging of military cooperation with one state to deter or defeat a threat posed by another, is one of the principal means by which states cause and enhance security for themselves.<sup>1</sup> A formal treaty is not always necessary to give effect to such military cooperation as is evidenced by the relationship between Israel and the United States. But a formal treaty has the advantage of defining the scope of the commitment made by one or both parties and the circumstances in which that commitment would be fulfilled. While the term 'alliance' is loosely used to describe such arrangements, formal treaties concluded for external balancing purposes have historically assumed many forms: unilateral guarantees provided by one state to another, ententes pledging mutual military consultation or political coordination, neutrality or non-aggression pacts, and full-fledged alliances for mutual defence or offence.<sup>2</sup>

### **India's External Balancing Efforts during the Cold War Era**

External balancing emerged as a component in India's foreign policy during the last stages of the 1962 War with China and persisted until the collapse of the Soviet Union in 1991. During these years, India sought or concluded three agreements with other states to deal with the threat perceived from China.

The first of these involved a short-lived air defence agreement with the United States and the United Kingdom. Its origins lay in the appeal that Prime Minister Jawaharlal Nehru made to President John F. Kennedy for military assistance on 19 November 1962 after the Indian defence effort collapsed in the North East Frontier Agency and laid open the entire Northeast to Chinese invasion. Compelled by these circumstances, Nehru sought immediate US military assistance in the form of radar installations as well as 12 squadrons of supersonic all-weather fighters manned by US Air Force personnel. Although the role that Nehru envisaged for these US aircraft and radar installations was the protection of Indian cities and installations from Chinese air attack, he also raised the possibility of US fighter aircraft assisting the Indian Air Force "in air battles with the Chinese air force over Indian areas". In addition, Nehru also requested the loan of two squadrons of bombers which would be manned and serviced by Indian personnel trained in the US.<sup>3</sup>

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<sup>1</sup> Kenneth N. Waltz, *Theory of International Politics* (Waveland Pr Inc., 1979, Kindle Edition), p. 118.

<sup>2</sup> Bruce M. Russett, "An Empirical Typology of International Military Alliances," *Midwest Journal of Political Science*, vol. 15, no. 2, May 1971, pp. 262-89, <http://www.jstor.org/stable/2110272>

<sup>3</sup> "Jawaharlal Nehru to John F. Kennedy, 19 November 1962," in Papers of John F. Kennedy. Presidential Papers. National Security Files. Countries. India: Subjects: Nehru correspondence, November 1962: 11-19. JFKNSF-111-016. John F. Kennedy Presidential

Such US assistance and involvement became unnecessary after China declared a ceasefire on 21 November 1962. But the combination of its defence inadequacies, the time required to build them up and the fear of a renewed Chinese attack in the interim led India to accept the US-UK offer of an air defence agreement in July 1963. For their part, the US and the UK, after much wrangling over their respective responsibilities and commitments in assisting India in the event of a renewed Chinese attack, settled on this mode of minimal military assistance because of multiple imperatives: deter China without getting into a shooting war with it (the latter being mainly a British concern triggered by Hong Kong's vulnerability), draw India closer to the West and prevent its excessive rearmament, and reassure and retain Pakistan as an ally.<sup>4</sup> Under the agreement, the US undertook to install six permanent radar installations and train Indian personnel in their operation as well as join the UK to conduct peacetime training exercises with the Indian Air Force for improving the effectiveness of India's air defence.<sup>5</sup> Accordingly, the first exercise was conducted in the Delhi and Calcutta areas in November 1963 with the participation of one Royal Air Force fighter squadron, one US Air Force fighter squadron, and two Australian bombers serving as "mock Chinese targets". But Nehru denied permission for a second exercise scheduled for April 1964 because of a combination of factors: domestic opposition, lessened anxiety about China, and disenchantment with the US and UK caused by the pressure they exerted to compromise on Kashmir, reduce the scale of the defence build-up, and not source weaponry from the Soviet Union.<sup>6</sup>

The second instance of India seeking a security guarantee, albeit unsuccessfully, occurred in the wake of China's demonstration of nuclear weapons capability in October 1964. India undertook a diplomatic effort to seek an explicit nuclear guarantee from the US and USSR in particular, but also from the UK and France, against Chinese nuclear attack or coercion.<sup>7</sup> In an internal memo, L. K. Jha, who, as Prime Minister Indira Gandhi's Principal Secretary, spearheaded that diplomatic effort, noted that a joint superpower declaration would not only allow the US and USSR "to act without concern that the other would act at crosspurposes" but

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Library and Museum, <https://www.jfklibrary.org/Asset-Viewer/Archives/JFKNSF-111-016.aspx>

<sup>4</sup> Paul M. McGarr, *The Cold War in South Asia* (Cambridge University Press, 2013, Kindle Edition), pp. 228-39.

<sup>5</sup> For the text of the proposals conveyed to and accepted by India, see "307. Telegram From the Embassy in India to the Department of State," July 10, 1963, *Foreign Relations of the United States, 1961-1963, Volume XIX, South Asia*, available at <https://history.state.gov/historicaldocuments/frus1961-63v19/d307>

<sup>6</sup> McGarr, *The Cold War in South Asia*, p. 240.

<sup>7</sup> On India's approach to the UK in this regard and the considerations that determined the British response, see Susanna Schrafstetter, "Preventing the 'Smiling Buddha': British-Indian nuclear relations and the Commonwealth Nuclear force, 1964-68," *Journal of Strategic Studies*, vol. 25, no. 3, September 2002, pp. 87-108, <http://dx.doi.org/10.1080/01402390412331302785>

also “further strengthen India’s deterrence of China.”<sup>8</sup> In the event, none of the countries approached was willing to offer an explicit nuclear guarantee.

India’s search for security against China reached its culmination in August 1971 when it signed a 20-year treaty of peace, friendship and cooperation with the Soviet Union. The key provisions of this treaty were: an explicit pledge of neutrality in the form of not participating in any alliance against the other and not militarily assisting a third country engaged in a war with the other; and, an undertaking to consult each other in the event of an attack “in order to remove such threat and to take appropriate effective measures to ensure peace and security of their countries.”<sup>9</sup> In tune with these provisions, during the 1971 India-Pakistan War, “the Soviet ambassador in Delhi secretly pledged that if China intervened against India, the Soviet Union would open its own border diversionary action against China.”<sup>10</sup> According to Lt. Gen. JFR Jacob, who served as Chief of Staff in the Indian Army’s Eastern Command during that war, “the Soviets moved 40 divisions to the Xinjiang and seven to the Manchurian borders to deter the Chinese”.<sup>11</sup> In effect, Nehru’s reported statement – “We are their second front, and they are ours” – premised on “a geopolitical community of interest” between India and the Soviet Union “with respect to China” fructified during the 1971 War.<sup>12</sup>

### Loss of the Soviet/Russian External Balancer

External balancing ceased to be a component in India’s China policy when the Soviet Union collapsed in 1991. Although India and Russia renewed the Treaty of Friendship and Cooperation in 1993 for a further period of 20 years and averred that it is “a continuation” of the previous treaty, they significantly diluted the key military provisions contained in the 1971 version. In the 1971 version, India and the Soviet Union had categorically stated that they will not participate in a military alliance directed against each other. But in the 1993 version, they committed themselves only

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<sup>8</sup>As cited in Andrew B. Kennedy, “India’s Nuclear Odyssey: Implicit Umbrellas, Diplomatic Disappointments, and the Bomb,” *International Security*, vol. 36, no. 2, Fall 2011, pp. 127, 131-35; the quoted passage is on p. 134.

<sup>9</sup> See Articles VIII, IX and X of *Treaty of Peace, Friendship and Cooperation Between the Government of India and the Government of the Union of Soviet Socialist Republics*, August 9, 1972, Ministry of External Affairs, Government of India, [http://mea.gov.in/bilateral-documents.htm?dtl/5139/Treaty\\_of\\_Peace\\_Friendship\\_and\\_Cooperation](http://mea.gov.in/bilateral-documents.htm?dtl/5139/Treaty_of_Peace_Friendship_and_Cooperation)

<sup>10</sup> Gary J. Bass, *The Blood Telegram: India’s Secret War in East Pakistan* (NOIDA: Random House India, 2013), p. 305.

<sup>11</sup> JFR Jacob, “The Chinese are coming,” *Indian Defence Review*, August 20, 2012, <http://www.indiandefencereview.com/news/the-chinese-are-coming/> (accessed 30 August 2012).

<sup>12</sup>As cited in Selig S. Harrison, “Troubled India and Her Neighbors,” *Foreign Affairs*, vol. 43, no. 2, January 1965, p. 325, <http://www.jstor.org/stable/20039099>

not to take actions that might “pose a threat or impair the security of the other”. And in contrast to their previous commitment to undertake consultations if one of them came under attack, they now limited themselves to consult and coordinate positions in the event of “a threat to peace or breach of peace”.<sup>13</sup>

These provisions were further diluted in the year 2000 when India and Russia opted to replace the 1993 Treaty with the declaration of a strategic partnership. In the process, they altogether dropped the provision on undertaking consultations in the event of a threat to or breach of peace. Further, while retaining the commitment to maintain military neutrality towards one another, they explicitly stated that their partnership “is not directed against any other State or group of States, and does not seek to create a military-political alliance.”<sup>14</sup> In subsequent declarations and joint statements, with the exception of the one issued in 2002, India and Russia did not even choose to mention the pledge of military neutrality.<sup>15</sup>

The full import of this gradual dilution in and eventual abandonment of formal military commitments in the India-Russia relationship becomes clearer when juxtaposed with simultaneous developments in Russia's ties with China. In December 1992, only six weeks before India and Russia renewed the Treaty of Friendship, Russia and China issued a joint statement laying down the basis of their bilateral relations. In that statement, each undertook not to “join any military or political alliance directed against the other party, sign any treaty or agreement with a third country prejudicing the sovereignty and security interests of the other party, or allow its territory to be used by a third country to infringe on the sovereignty and security interests of the other party.”<sup>16</sup> Subsequently, they reiterated this

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<sup>13</sup>For both quotes in this paragraph, see Article III of *Treaty of Friendship and Cooperation Between the Republic of India and the Russian Federation*, January 28, 1993, Ministry of External Affairs, Government of India, <http://www.mea.gov.in/Portal/LegalTreatiesDoc/RUB1210.pdf>

<sup>14</sup>*Declaration on Strategic Partnership Between the Republic of India and the Russian Federation*, October 3, 2000, Ministry of External Affairs, Government of India, <http://www.mea.gov.in/Portal/LegalTreatiesDoc/RU00B0962.pdf>

<sup>15</sup>*Delhi Declaration on Further Consolidation of Strategic Partnership between the Republic of India and the Russian Federation*, December 4, 2002, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/bilateral-documents.htm?dtl/7677/Delhi\\_Declaration\\_on\\_Further\\_Consolidation\\_of\\_Strategic\\_Partnership\\_between\\_the\\_Republic\\_of\\_India\\_and\\_the\\_Russian\\_Federation](http://www.mea.gov.in/bilateral-documents.htm?dtl/7677/Delhi_Declaration_on_Further_Consolidation_of_Strategic_Partnership_between_the_Republic_of_India_and_the_Russian_Federation); *Joint Statement: Celebrating a Decade of the India- Russian Federation Strategic Partnership and Looking Ahead*, December 21, 2010, <http://www.mea.gov.in/bilateral-documents.htm?dtl/5118/joint+statement+celebrating+a+decade+of+the+india+russian+federation+strategic+partnership+and+looking+ahead>; *Saint Petersburg Declaration by the Russian Federation and the Republic of India: A vision for the 21st century*, June 1, 2017, <http://www.mea.gov.in/bilateral-documents.htm?dtl/28507/saint+petersburg+declaration+by+the+russian+federation+and+the+republic+of+india+a+vision+for+the+21st+century>

<sup>16</sup> Cited in John W. Garver and Fei-Ling Wan, “China's Anti-encirclement Struggle,” *Asian Security*, vol. 6, no. 3, 2010, p. 239, <http://dx.doi.org/10.1080/14799855.2010.507412>

commitment to maintain military neutrality in the Treaty of Good Neighbourliness and Friendly Cooperation signed in July 2001 with a validity of 20 years. Article 8 of the Treaty stated that they will neither enter into an alliance or a treaty with a third country nor allow their respective territories to be used by a third country to compromise or jeopardise “the national sovereignty, security and territorial integrity of the other contracting party”. Further, although the treaty asserted that bilateral military cooperation was not directed against any third country, it did provide for mutual consultations when either side “deems that peace is being threatened and undermined or its security interests are involved or when it is confronted with the threat of aggression ... in order to eliminate such threats.”<sup>17</sup> From India’s perspective, what all this amounted to was the loss of post-Soviet Russia as an external balancer vis-à-vis China.

### India-China Rapprochement

The loss of the external balancer and the simultaneous outbreak of the balance of payments crisis in the early 1990s provided a fillip to the process of rapprochement with China that India had initiated a few years earlier.<sup>18</sup> China had its own set of compulsions to pursue rapprochement with India at that time, namely, shoring up regime stability and the legitimacy of the communist party in the wake of the 1989 democracy movement through both “diversionary peace” and sustained economic growth.<sup>19</sup> These respective compulsions led India and China to sign two agreements in 1993 and 1996 for maintaining peace and tranquillity along the Line of Actual Control through the adoption of confidence building measures to both prevent military incidents and deal with contingencies that may arise.<sup>20</sup> Subsequent

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<sup>17</sup>*Treaty of Good-Neighbourliness and Friendly Cooperation Between the People's Republic of China and the Russian Federation*, July 24, 2001, Ministry of Foreign Affairs, People's Republic of China, [http://www.fmprc.gov.cn/mfa\\_eng/wjdt\\_665385/2649\\_665393/t15771.shtml](http://www.fmprc.gov.cn/mfa_eng/wjdt_665385/2649_665393/t15771.shtml). For a critical evaluation of the treaty, see Elizabeth Wishnick, “Russia and China,” *Asian Survey*, vol. 41, no. 5, September/October 2001, pp. 803-06, <http://www.jstor.org/stable/10.1525/as.2001.41.5.797>

<sup>18</sup>Ramesh Thakur, “India After Nonalignment,” *Foreign Affairs*, vol. 71, no. 2, Spring 1992, <https://www.foreignaffairs.com/articles/asia/1992-03-01/india-after-nonalignment>; Srinath Raghavan, “At the Cusp of Transformation: The Rajiv Gandhi Years, 1984-1989,” in David M. Malone, C. Raja Mohan, and Srinath Raghavan, eds., *The Oxford Handbook of Indian Foreign Policy* (Oxford University Press, 2015, Kindle Edition), pp. 123-25.

<sup>19</sup> M. Taylor Fravel, “Regime Security and International Cooperation: Explaining China’s Compromises in Territorial Disputes,” *International Security*, vol. 30, no. 2, Fall 2005, pp. 49, 77; Bruce Gilley and Heike Holbig, “The Debate on Party Legitimacy in China: A Mixed Quantitative/Qualitative Analysis,” *Journal of Contemporary China*, vol. 18, no. 59, March 2009, pp. 339-58.

<sup>20</sup>*Agreement Between India and China on the Maintenance of Peace and Tranquillity Along the Line of Actual Control in the India-China Border Areas*, September 7, 1993, Ministry of External Affairs, Government of India,



agreements in 2005, 2012 and 2013 added new procedures and mechanisms to shore up the regime of mutual military restraint along the border.<sup>21</sup> Most significantly, in 2005, the Indian and Chinese Special Representatives arrived at an understanding on the political parameters and guiding principles for settling the boundary question.<sup>22</sup>

These efforts to maintain peace and tranquillity along the border and eventually move towards a final settlement of the boundary question were complemented by substantial progress in economic and political ties. China's emergence as the factory of the world and India's opening up of its economy led to a spectacular growth in bilateral trade during the 2000s. China became India's largest trading partner in goods in 2008 and bilateral trade reached a peak of US \$ 74.412 billion in 2011.<sup>23</sup> Even as Indian companies emerged as important players in China's commercial transport, cement, and information technology sectors, Chinese companies acquired significant market shares in India's power, telecom, and construction equipment sectors. During this period, India also became "the largest destination for China's project exports", especially in the infrastructure sector, with an estimated US\$55 billion worth of projects under execution in 2012.<sup>24</sup>

At the same time, India and China also began to cooperate on regional and global economic and political issues. Their common status as developing countries

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<http://www.mea.gov.in/Portal/LegalTreatiesDoc/CH93B2240.pdf>; *Agreement Between India and China on Confidence Building Measures in the Military Field Along the Line of Actual Control*, November 29, 1996, <http://www.mea.gov.in/Portal/LegalTreatiesDoc/CH96B1124.pdf>

<sup>21</sup> *Protocol Between India and China for Implementation of Confidence Building Measures in Military Field*, April 11, 2005, Ministry of External Affairs, Government of India, <http://www.mea.gov.in/Portal/LegalTreatiesDoc/CH05B0642.pdf>; *Agreement between The Government of the Republic of India and The Government of the People's Republic of China on the Establishment of a Working Mechanism for Consultation and Coordination on India-China Border Affairs*, January 17, 2012, <http://mea.gov.in/bilateral-documents.htm?dtl/17963/IndiaChina+Agreement+on+the+Establishment+of+a+Working+Mechanism+for+Consultation+and+Coordination+on+IndiaChina+Border+Affairs>; *Agreement between the Government of the Republic of India and the Government of the People's Republic of China on Border Defence Cooperation*, October 23, 2013, <http://mea.gov.in/in-focus-article.htm?22366/Agreement+between+the+Government+of+the+Republic+of+India+and+the+Government+of+the+Peoples+Republic+of+China+on+Border+Defence+Cooperation>

<sup>22</sup> *Agreement between the Government of the Republic of India and the Government of the People's Republic of China on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question*, April 11, 2005, Ministry of External Affairs, Government of India, <http://www.mea.gov.in/Portal/LegalTreatiesDoc/CH05B0585.pdf>

<sup>23</sup> S. K. Mohanty, *India-China Bilateral Trade Relationship* (New Delhi: Research and Information System for Developing Countries, July 2014), p. 49, <https://rbidocs.rbi.org.in/rdocs/Publications/PDFs/PRASICBT130613.pdf>

<sup>24</sup> S. Jaishankar, "India and China: Fifty Years After," *ISAS Special Report*, November 23, 2012, p. 2, [http://www.isas.nus.edu.sg/Attachments/PublisherAttachment/Address\\_by\\_Amb\\_S\\_Jaishankar\\_Address\\_\(23Nov12\)FINAL\\_30112012133458.pdf](http://www.isas.nus.edu.sg/Attachments/PublisherAttachment/Address_by_Amb_S_Jaishankar_Address_(23Nov12)FINAL_30112012133458.pdf)

meant the adoption of similar policy positions in the Doha Development Round, climate change negotiations, quota reforms in the International Monetary Fund, and tackling the global financial crisis.<sup>25</sup> Political cooperation on these issues was reinforced by common membership in new multilateral groupings such as Russia-India-China (RIC) forum, the Brazil-Russia-India-China-South Africa (BRICS) grouping of rising economies, and the Shanghai Cooperation Organisation (SCO), all of which ultimately seek the establishment of a multipolar international order with a greater voice for non-Western countries on various regional and global issues.<sup>26</sup> And ultimately, the entire edifice of India-China cooperation rested upon the declaration of a strategic and cooperative partnership in 2005 and a developmental partnership in 2014 based on “mutual respect and sensitivity for each other’s concerns and aspirations”.<sup>27</sup>

### **Persistence of the Security Dilemma in India-China Relations**

Yet, India-China relations have continued to be subject to an underlying security dilemma. Since the 1960s, the security dilemma has manifested itself along three dimensions. First, while China is deeply suspicious of India’s policy towards Tibet, India’s apprehensions have centred on Chinese intervention in an India-Pakistan conflict. Second, India seeks to maintain a dominant position in South Asia, but China has been working to neutralise India’s predominance in the region. And third, while China has successfully used Pakistan to maintain a balance of power in South Asia including through assistance for Pakistan’s nuclear weapons and ballistic missile programmes, India has increasingly become a factor in the East Asian equation during the last two decades.<sup>28</sup>

The persistence of the security dilemma has, in turn, contributed to the perpetuation of Indian concerns about the conventional and nuclear balance with

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<sup>25</sup> Thorsten Wojczewski, “China’s rise as a strategic challenge and opportunity: India’s China discourse and strategy,” *India Review*, vol. 15, no. 1, 2016, pp. 33-34, <http://dx.doi.org/10.1080/14736489.2015.1092748>

<sup>26</sup> P. S. Raghavan, “BRICS – Still Under Construction,” *Policy Brief No. 5*, October 10, 2016 (New Delhi: Ananta Aspen Centre), pp. 9-11, [http://www.anantaaspencentre.in/pdf/BRICS\\_still\\_under\\_construction\\_10\\_10\\_2016.pdf](http://www.anantaaspencentre.in/pdf/BRICS_still_under_construction_10_10_2016.pdf)

<sup>27</sup> *Joint Statement of the Republic of India and the People’s Republic of China*, April 11, 2005, Ministry of External Affairs, Government of India, [http://mea.gov.in/Speeches-Statements.htm?dtl/2509/Joint\\_Statement\\_of\\_the\\_Republic\\_of\\_India\\_and\\_the\\_Peoples\\_Republic\\_of\\_China](http://mea.gov.in/Speeches-Statements.htm?dtl/2509/Joint_Statement_of_the_Republic_of_India_and_the_Peoples_Republic_of_China); *Joint Statement between the Republic of India and the People’s Republic of China on Building a Closer Developmental Partnership*, September 19, 2014, <http://www.mea.gov.in/bilateral-documents.htm?dtl/24022/Joint+Statement+between+the+Republic+of+India+and+the+Peoples+Republic+of+China+on+Building+a+Closer+Developmental+Partnership>

<sup>28</sup> Based on John W. Garver, “The Security Dilemma in Sino-Indian Relations,” *India Review*, vol. 1, no. 4, October 2002, p. 2, <http://dx.doi.org/10.1080/14736480208404640>



China as well as to competition between their militaries for positional advantage along the Line of Actual Control. To take the situation along the border first: between the years 2000 and 2007, “the annual number of violations” of the Line of Actual Control by the People’s Liberation Army (PLA) “increased from 90 to 140”.<sup>29</sup> This number increased further to 228 in 2010, 411 in 2013, and 334 between January 1 and August 4, 2014.<sup>30</sup> China too claims that Indian troops often violate the Line of Actual Control. The more serious of these violations have led to three diplomatic crises in the last five years. Continuing border violations and periodic crises have reinforced India’s threat perception vis-à-vis China especially because these have been occurring in the backdrop of three significant developments during the last two decades: the tremendous improvements in road, rail and air communications infrastructure that China has effected in Tibet;<sup>31</sup> the continued modernisation and reorganisation of the PLA;<sup>32</sup> and the yawning power asymmetry between China and India, most evident in their respective Gross Domestic Product (US \$11.38 trillion versus 2.2 trillion) and defence expenditure (US \$145 billion versus 40.4 billion).<sup>33</sup>

### **The Two Visible Prongs of India’s China Policy**

In response, India has adopted a two-pronged policy for dealing with China.<sup>34</sup> The first prong involves continued engagement, both bilaterally and in multilateral forums such as BRICS, SCO and the Russia-India-China trilateral, in order to

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<sup>29</sup> Cited in Jonathan Holslag, “The Persistent Military Security Dilemma Between China and India,” *Journal of Strategic Studies*, vol. 32, no. 6, December 2009, p. 817, <http://dx.doi.org/10.1080/01402390903189592>

<sup>30</sup> “Intrusions of Chinese army into Indian territory,” *Rajya Sabha Question No. 3776*, answered on August 13, 2014 by Minister of State in the Ministry of Home Affairs, <http://164.100.47.4/newsquestion/ShowQn.aspx>

<sup>31</sup> Rajeswari Pillai Rajagopalan and Rahul Prakash, “Sino-Indian Border Infrastructure: An Update,” *Occasional Paper No. 42* (New Delhi: Observer Research Foundation, May 2013), [http://www.orfonline.org/cms/sites/orfonline/modules/occasionalpaper/attachments/Occasional42\\_1369136836914.pdf](http://www.orfonline.org/cms/sites/orfonline/modules/occasionalpaper/attachments/Occasional42_1369136836914.pdf)

<sup>32</sup> Holslag, “The Persistent Military Security Dilemma Between China and India,” pp. 819-21.

<sup>33</sup> GDP figures and defence expenditure data are for the year 2015. GDP figures are based on statistics provided in Central Intelligence Agency, *World Fact Book*, <https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>; <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>. On China’s and India’s defence expenditures, see: Richard A. Bitzinger, “China’s Double-Digit Defense Growth: What It Means for a Peaceful Rise,” *Foreign Affairs*, March 19, 2015, <http://www.foreignaffairs.com/articles/143275/richard-a-bitzinger/chinas-double-digit-defense-growth>; Laxman K. Behera, “India’s Defence Budget 2015-16,” *Issue Brief*, March 2, 2015 (New Delhi: Institute for Defence Studies and Analyses), [http://idsa.in/issuebrief/IndiasDefenceBudget2015-16\\_1kbehera\\_020315](http://idsa.in/issuebrief/IndiasDefenceBudget2015-16_1kbehera_020315)

<sup>34</sup> For a recent formulation on how India has sought to both engage with and balance against China, see Shivshankar Menon, “Some Thoughts on India, China and Asia-Pacific Regional Security,” *China Report*, vol. 53, no. 2, 2017, p. 208.

maintain overall stability, deepen economic ties, and foster diplomatic cooperation on regional and international issues. Thus, during the recent Doklam crisis, India not only insisted on a diplomatic settlement based on a return to the status quo ante<sup>35</sup> but did not let the crisis come in the way of scheduled bilateral visits and meetings be it Prime Minister Modi's meeting with President Xi on the side-lines of the G20 Summit in Hamburg<sup>36</sup> or the participation of three Ministers in ministerial-level BRICS conferences.<sup>37</sup> And this, despite a high decibel campaign in China's state-controlled media warning India of a repeat of the 1962 war, a reversal of the recognition of Sikkim as an integral part of India, stirring up of trouble in India's North-eastern states, and sending troops into Kashmir at Pakistan's behest – all of which has had the effect of lifting the veil on the Chinese leadership's actual thought process about dealing with India.<sup>38</sup>

At the same time, India has also sustained efforts to enhance its military and deterrent capabilities as the second prong of policy. In fact, it has been devoting considerable resources since the 1990s to acquire nuclear weapons and develop longer-range ballistic missiles as a deterrent against China. A telling indicator of the role that the China threat played in India's nuclear weapons programme can be found in the letter written by Prime Minister Atal Bihari Vajpayee to President Bill Clinton explaining the reasons for India's 1998 nuclear tests. The letter, as John Garver has pointed out, devoted 68 words to the security challenge India perceived from China as opposed to only 48 for the threat perception relating to Pakistan.<sup>39</sup> Further, in the latter half of the 2000s, India initiated a programme to build 'strategic' roads in its border states for improving connectivity and thus enhancing the ability

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<sup>35</sup> *Recent Developments in Doklam Area*, 30 June 2017, Ministry of External Affairs, [http://www.mea.gov.in/press-releases.htm?dtl/28572/Recent\\_Developments\\_in\\_Doklam\\_Area](http://www.mea.gov.in/press-releases.htm?dtl/28572/Recent_Developments_in_Doklam_Area); *In Response to Questions on the Doklam Disengagement Understanding*, August 28, 2017, [http://www.mea.gov.in/Uploads/PublicationDocs/28895\\_Doklam\\_new.pdf](http://www.mea.gov.in/Uploads/PublicationDocs/28895_Doklam_new.pdf)

<sup>36</sup> *Weekly Media Briefing by Official Spokesperson (Uncorrected transcript)*, July 13, 2017, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/media-briefings.htm?dtl/28729/Weekly\\_Media\\_Briefing\\_by\\_Official\\_Spokesperson\\_Uncorrected\\_transcript\\_July\\_13\\_2017](http://www.mea.gov.in/media-briefings.htm?dtl/28729/Weekly_Media_Briefing_by_Official_Spokesperson_Uncorrected_transcript_July_13_2017)

<sup>37</sup> Sumit Pande, "Business First: 3 Ministers of Modi Govt Travelled to China This Week," *News18.com*, July 6, 2017, <http://www.news18.com/news/india/business-trumps-rhetoric-3-ministers-of-modi-govt-travelled-to-china-this-week-1454049.html>

<sup>38</sup> Ian Hall, "Doklam, The Diplomacy of Anger, and the Sino-Indian Standoff," *IAPS Dialogue*, September 5, 2017, <https://iapsdialogue.org/2017/09/05/doklam-the-diplomacy-of-anger-and-the-sino-indian-standoff/>; Jayadeva Ranade, "Doklam will prompt new thinking on India-China relations," *Hindustan Times*, July 17, 2017, [http://www.hindustantimes.com/analysis/doklam-will-prompt-new-thinking-on-india-china-relations/story-NdIYOCTpQdmtvb906ECs9J\\_amp.html](http://www.hindustantimes.com/analysis/doklam-will-prompt-new-thinking-on-india-china-relations/story-NdIYOCTpQdmtvb906ECs9J_amp.html)

<sup>39</sup> John W. Garver, "The Restoration of Sino-Indian Comity following India's Nuclear Tests," *The China Quarterly*, No. 168, December 2001, p. 868, <http://www.jstor.org/stable/3657362>

to defend these areas.<sup>40</sup> And, simultaneously, it also began to strengthen military capabilities along the China front by raising a new army strike corps, repositioning frontline aircraft, strengthening air bases and refurbishing advanced landing grounds.<sup>41</sup>

### **An Emerging External Balancing Component**

But is there an emerging third prong in India's China policy in the form of an incipient external balancing effort? The evolution of India-US relations in particular but also of India's relationships with Japan and Australia as well as the budding quadrilateral cooperation among them indicates a growing convergence in their views regarding stability in the Indo-Pacific region and the importance of mutual and quadrilateral defence cooperation for the purpose of maintaining it.<sup>42</sup> What is causing this growth in convergence is growing uncertainty about China's intentions in the wake of its turn towards an assertive foreign policy and disregard for the norms that have come to underpin the international territorial order by advancing territorial claims to more than 80 per cent of the South China Sea as well as to the sovereign territories of India and Japan.<sup>43</sup>

Thus, in January 2015, India and the United States issued a joint vision for the Asia Pacific and the Indian Ocean region, in which they affirmed the importance of "safeguarding maritime security and ensuring freedom of navigation and over flight throughout the region, especially in the South China Sea", and proclaimed that their partnership "is indispensable to promoting peace, prosperity and stability in those regions".<sup>44</sup> These views were reiterated in the joint statement issued in June 2017, in which India and the United States referred to themselves as "responsible stewards in the Indo-Pacific region".<sup>45</sup>

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<sup>40</sup> Holslag, "The Persistent Military Security Dilemma Between China and India," pp. 821-2; Rajagopalan and Prakash, "Sino-Indian Border Infrastructure: An Update", pp. 5-7.

<sup>41</sup> Ajai Shukla, "Preparing for a two-front war," *Business Standard*, September 10, 2013, [http://www.business-standard.com/article/current-affairs/preparing-for-a-two-front-war-113091001026\\_1.html](http://www.business-standard.com/article/current-affairs/preparing-for-a-two-front-war-113091001026_1.html)

<sup>42</sup> On the Quadrilateral, see Tanvi Madan, "The Rise, Fall and Rebirth of the 'Quad'," *warontherocks*, November 16, 2017, <https://warontherocks.com/2017/11/rise-fall-rebirth-quad/>

<sup>43</sup> S. Kalyanaraman, "India, Japan and Preservation of the Asian Territorial Order," *E-International Relations*, December 24, 2017, <http://www.e-ir.info/2017/12/24/india-japan-and-preservation-of-the-asian-territorial-order/>

<sup>44</sup> *US-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region*, January 25, 2015, Ministry of External Affairs, Government of India, <http://mea.gov.in/incoming-visit-detail.htm?24728/USIndia+Joint+Strategic+Vision+for+the+AsiaPacific+and+Indian+Ocean+Region>

<sup>45</sup> *Joint Statement - United States and India: Prosperity Through Partnership*, June 27, 2017, Ministry of External Affairs, Government of India, <http://www.mea.gov.in/outgoing-visit->

In order to provide content to this vision, India and America have steadily deepened bilateral defence cooperation to achieve their common interests, which include the maintenance of peace, security and stability as well as the protection of the free flow of commerce through support for a rules-based order.<sup>46</sup> Accordingly, there has been a steady increase in both the number and content of joint military exercises to enable interoperability and even coordinated operations.<sup>47</sup> In addition, the two countries have concluded a logistics support agreement to enhance the operational capacities of their militaries. Bilateral defence trade has risen from US \$1 billion in 2008 to over \$15 billion in 2017 and America has elevated India to the status of a 'major defense partner'.<sup>48</sup> India and the United States have also initiated the Defence Trade and Technology Initiative to transform their current buyer-seller relationship into a partnership that would co-develop and co-produce major defence platforms. Finally, there are indications that the US position on issues of key security concern to India is beginning to synchronise with that of India's. For instance, during the Doklam crisis in 2017, the US expressed its concern about China's violation of Bhutanese sovereignty and called for a "return to the status quo" through "a negotiated solution" that restores peace in the area.<sup>49</sup>

In the case of India and Japan, the declaration issued during Prime Minister Shinzo Abe's visit to India in September 2017 affirmed "strong commitment to their values-based partnership in achieving a free, open and prosperous Indo-Pacific region ... where all countries ... enjoy freedom of navigation and overflight" and pledged efforts to "align Japan's Free and Open Indo-Pacific Strategy with India's Act East Policy, including through ... maritime security cooperation".<sup>50</sup> To achieve this vision, India and Japan have not only signed a security cooperation agreement but

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detail.htm?28560/Joint+Statement++United+States+and+India+Prosperity+Through+Partnership

<sup>46</sup> *New Framework for the U.S.-Indian Defense Relationship*, June 28, 2005, US Department of State, <http://usembassy.state.gov/posts/in1/wwwhipr062905.html>; *Framework for the U.S.-India Defense Relationship*, June 3, 2015, <http://archive.defense.gov/pubs/2015-defense-framework.pdf>

<sup>47</sup> For an overview on the evolution of the India-US defence relationship, see Gurpreet S. Khurana, "Optimising India-US Maritime-Strategic Convergence," *Strategic Analysis*, vol. 41, no. 5, 2017, pp. 433-46, <http://dx.doi.org/10.1080/09700161.2017.1343234>

<sup>48</sup> Tanvi Madan, "China is the 800-Pound Gorilla in the Room When Modi Meets Trump," *warontherocks*, June 26, 2017, <https://warontherocks.com/2017/06/china-is-the-800-pound-gorilla-in-the-room-when-modi-meets-trump/>

<sup>49</sup> Cited in Tanvi Madan, "The US and Doklam: Look beyond rhetoric," *Brookings*, September 26, 2017, <https://www.brookings.edu/blog/order-from-chaos/2017/09/26/the-us-and-doklam-look-beyond-rhetoric/>

<sup>50</sup> *Toward a Free, Open and Prosperous Indo-Pacific*, September 14, 2017, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/bilateral-documents.htm?dtl/28946/IndiaJapan\\_Joint\\_Statement\\_during\\_visit\\_of\\_Prime\\_Minister\\_of\\_Japan\\_to\\_India\\_September\\_14\\_2017](http://www.mea.gov.in/bilateral-documents.htm?dtl/28946/IndiaJapan_Joint_Statement_during_visit_of_Prime_Minister_of_Japan_to_India_September_14_2017)

have also drawn up a detailed action plan to implement it with a view to, among other things, “enhance ... policy coordination on security issues” in the region.<sup>51</sup>

Finally, India and Australia have also termed themselves as partners in the Indo-Pacific. In a joint statement issued in April 2017, the two countries “reaffirmed their commitment to a peaceful and prosperous Indo-Pacific”, “recognised the importance of freedom of navigation and overflight, unimpeded lawful commerce, as well as resolving maritime disputes by peaceful means”, and “committed to deepening the bilateral defence and security partnership.”<sup>52</sup> And they have also agreed to a detailed action plan to deepen and strengthen defence cooperation to give effect to their “converging political, economic and strategic interests”.<sup>53</sup>

What such deepening cooperation between India, on the one hand, and America, Australia and Japan, on the other, indicates is the return of external balancing as an element in India's China policy. What form external balancing eventually assumes is likely to be a function of two factors: the scale and intensity of China's challenge to the security and geopolitical interests of these four countries in the coming years; and, how firmly India and its partners commit themselves to each other and how much support they extend to each other in their respective interactions and conflicts with China.<sup>54</sup> The stronger the commitment and support sought and offered, the greater would be the need for a full-fledged alliance. An entente or a neutrality pact would suffice if only weaker commitment and support are sought and offered.

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<sup>51</sup> *Joint Declaration on Security Cooperation between India and Japan*, October 22, 2008, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/bilateral-documents.htm?dtl/5408/Joint\\_Declaration\\_on\\_Security\\_Cooperation\\_between\\_India\\_and\\_Japan](http://www.mea.gov.in/bilateral-documents.htm?dtl/5408/Joint_Declaration_on_Security_Cooperation_between_India_and_Japan); *Action Plan to advance Security Cooperation based on the Joint Declaration on Security Cooperation between Japan and India*, December 29, 2009, [http://www.mea.gov.in/bilateral-documents.htm?dtl/5089/Action\\_Plan\\_to\\_advance\\_Security\\_Cooperation\\_based\\_on\\_the\\_Joint\\_Declaration\\_on\\_Security\\_Cooperation\\_between\\_Japan\\_and\\_India](http://www.mea.gov.in/bilateral-documents.htm?dtl/5089/Action_Plan_to_advance_Security_Cooperation_based_on_the_Joint_Declaration_on_Security_Cooperation_between_Japan_and_India)

<sup>52</sup> *India-Australia Joint Statement during the State visit of Prime Minister of Australia to India*, April 10, 2017, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/bilateral-documents.htm?dtl/28367/IndiaAustralia\\_Joint\\_Statement\\_during\\_the\\_State\\_visit\\_of\\_Prime\\_Minister\\_of\\_Australia\\_to\\_India](http://www.mea.gov.in/bilateral-documents.htm?dtl/28367/IndiaAustralia_Joint_Statement_during_the_State_visit_of_Prime_Minister_of_Australia_to_India)

<sup>53</sup> *India-Australia Joint Declaration on Security Cooperation during visit of Prime Minister Kevin Rudd*, November 12, 2009, Ministry of External Affairs, Government of India, [http://www.mea.gov.in/bilateral-documents.htm?dtl/5035/IndiaAustralia\\_Joint\\_Declaration\\_on\\_Security\\_Cooperation\\_during\\_visit\\_of\\_Prime\\_Minister\\_Kevin\\_Rudd](http://www.mea.gov.in/bilateral-documents.htm?dtl/5035/IndiaAustralia_Joint_Declaration_on_Security_Cooperation_during_visit_of_Prime_Minister_Kevin_Rudd); *Framework for Security Cooperation between India and Australia*, November 18, 2014, [http://www.mea.gov.in/bilateral-documents.htm?dtl/24268/Framework\\_for\\_Security\\_Cooperation\\_between\\_India\\_and\\_Australia](http://www.mea.gov.in/bilateral-documents.htm?dtl/24268/Framework_for_Security_Cooperation_between_India_and_Australia)

<sup>54</sup> Glenn Snyder, “The Security Dilemma in Alliance Politics,” *World Politics*, vol. 36, no. 4, July 1984, pp. 461-95, <http://www.jstor.org/stable/2010183>

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