



AN ANALYSIS OF CHINA'S RISE AND ITS EFFECTS ON INDIA AND THE REST OF THE WORLD

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Abstract

After experiencing spectacular growth for more than 30 years, China is now attempting the challenging shift to a lower development path. The governing Communist Party of China (CPC) is increasingly leaning toward nationalism to establish legitimacy in the eyes of its people, and it continues to do so. Currently, China is making it clear that it wants to "assume its responsibilities" and "display its prowess" globally. On the other hand, it can still not establish a political or security order in its area. As a result, there is a high probability that the Asia–Pacific region will experience a period of instability, and “the context in which India pursues its interests will become more complicated. Currently, China and India share a relationship characterised by both aspects of collaboration and rivalry.” Competition exists between the two nations in the periphery they share, even though they have a similar objective in enhancing the present economic and security system. The gap between perception and reality in the relationship between India and China in the current day is a potential threat to the relationship. Despite this, the essay contends that the current state of ties between India and China presents an opportunity and that both countries might gain from cooperating to advance their fundamental interests.

Keywords: *Asia–Pacific, Chinese Nationalism, China’s Rise, Sino-Indian Relations.*

Introduction

To begin, let us look at China, both in its current state and its future state. Next, we will examine how it fits into the enormous globe, and ultimately, we will look at its consequences on India.

The China

As a result of the wonder and astonishment that has been evoked by “China's economic accomplishments over the last three decades,” which have included a growth rate of more than ten per cent in terms of GDP, China is still referred to as a dragon. Everyone is aware of the consequences, which include “the accumulation of hard power in all of its forms, China's role as the world's manufacturing workshop, the foreign exchange surpluses amounting to trillions of dollars, the ability to determine commodity prices on global markets, the presence of China in the majority of global value and production chains, and so on. In only a little more than three decades, China has established itself as the biggest economy in the world when measured in terms of purchasing power parity (PPP), the largest trading country in the world, and the driving force behind the expansion of the global economy.”^[1] Throughout this shift, the globe is awestruck by its rapidity and magnitude.

In the same way it regarded “Japan's ascent in the first half of the 20th century, the West views China's emergence as a danger to its hegemony. For the Chinese, on the other hand, this is nothing more than the restoration of the natural order of things, of China as the greatest economy in the world and the centre of the universe, as it had conceived of itself for all of the centuries before the industrial revolution in the 19th century.” During this process, China has dispelled two fallacies that have driven the United States and Western nations' attempts to aid “China's growth and integrate it into the



Western international order since Nixon's visit in 1972.” This is what causes Western nations to feel uneasy on the subject. The first false belief was that China would gradually adopt Western-style democracy as it modernised; the second was that the demands of a newly-minted middle class in China would eventually overthrow the Communist Party of China's (CPC) one-party rule. As a consequence of this, it was anticipated that China would, in the same way that Japan was incorporated into the Western economic and political system “after World War II, to the extent that Japanese people were considered as honorary whites in South Africa during the apartheid era.”

The ability of the Chinese strategy to convince the United States and other Western nations to back and assist China's growth must be admired. It was very simple for China to persuade the Western world, particularly the United States, of “China's usefulness after 1971, when the Soviet Union was serving as their shared opponent. As a result of the dissolution of the Soviet Union in 1989, the Chinese leadership eagerly anticipated that the Western world would make an effort to alter the structure of the regime in China, which is the only significant Communist nation that is still in existence.” Instead, China used the United States and other Western nations to help it advance in the decades after 1989!

Both of the Western ambitions have been dashed by the recent events that have taken place in China. As any historian of Chinese history might have foreseen, China's politics and society continue to persist in their traditional Chinese characteristics. If anything, “the Communist Party of China (CPC) has a firmer hold on power in China than ever. The Chinese government has made it abundantly clear that, even though it, along with India, is a significant beneficiary of the era of open markets, free trade, and investment flows that the United States led in the twenty years before the year 2008, it is also determined to have an independent say in the economic, political, and security order that surrounds it and in the world as a whole. Its main objective is to achieve the China Dream, often known as the Two 100s.”^[2]

After the global economic crisis of 2008, it became increasingly apparent that Russia was trying to mould “the environment on its perimeter and utilise its economic might to construct linkages and institutions” that would consolidate the Eurasian continent and bind its neighbours to itself. The United States and other Western nations were focused with rebuilding “their own economy and were engaged in Iraq, Afghanistan, and subsequently in North Africa and Eastern Europe.” China, on the other hand, regarded the crisis as an opportunity. By the year 2000, all of “China's neighbours, with the exception of one, had greater commerce with the United States than with China. China is the most important commercial partner among its neighbours, including the United States, Japan, and the Philippines. As a result of international sanctions imposed by the West, Russia is looking to China to purchase the energy and commodity exports essential to the survival of its economy.”^[3] Even the United States of America, which is “China's primary strategic foe, is economically connected to China in profound and basic ways. This is something that was never the case with China's last major adversary, the Soviet Union.”

Currently, China has taken the subsequent actions, which include the implementation of “the One Belt Road' (OBOR) proposal, the establishment of the Asian Infrastructure Investment Bank, the BRICS New Development Bank, the negotiation of the Regional Comprehensive Economic Partnership (RCEP) (in contrast to the Trans-Pacific Partnership (TPP) with 12 Asia–Pacific nations), the promotion of the use of the RMB as an international currency, and other initiatives to establish an economic order in the Asia–Pacific region. These will have effect on a worldwide scale. The Asia–Pacific region is becoming an increasingly important centre of gravity for the global economy and politics. It is the primary source of economic development and activity on a global scale, and it is also



the location of political dispute between the traditional Western system and the new international order that is now being established.”

Internally, the Chinese Communist Party (CPC) was able to retain its social and political dominance because to the great economic boom that China experienced. Initially, the CPC's legitimacy was derived on its Maoist revolutionary philosophy, which has since been abandoned. The only significant obstacle it has encountered since the beginning of reform was in 1989, when the leadership inside the organisation was already split, and reform was not to bring about prosperity. Those executions in Tiananmen Square were the culmination of that tragedy. Nevertheless, “the subsequent success of Deng's plan of fast reform has made it improbable that similar events would occur again. This is the case even when there are apparent splits within the leadership, as the Bo Xilai and Zhou Yongkang incidents have shown.”

At this point in time, “the CPC is a victim of its own success. With an economy of 11.21 trillion dollars^[4] and a per capita income that is more than 8,000 dollars (nominal) or 13,992 dollars (PPP),” China is unable to maintain high growth rates of 10 percent or more for an indefinite period of time. It is also necessary for the country to rebalance its economy, shifting away from dependence “on exports and government-led investment and towards growth driven” by domestic demand and consumption. (Exports were a negative contribution to GDP in the previous year.) There is a broad range of opinions on whether or not “it would be able to make this change without experiencing a significant economic crisis or collapse inside the country.” From my perspective, I believe that a command economy such as China, in which the government possesses “fiscal and other tools that are not available in market economies, should be able to make a relatively smooth transition to a lower growth path of approximately three to five per cent GDP growth each year, even though this will not be easy and will cause social pain. However, even a growth rate of five per cent in China's economy implies that it adds to India's gross domestic product every couple of years.”^[5]

As a result of “the social repercussions of the nature and pace of China's rise, the Communist Party of China (CPC) has lost some of its power to govern and regulate the lives and ideas of ordinary Chinese citizens.” This is especially true of the impacts of the revolution in information and communication technology (ICT). In order to maintain its exclusive grip on power, the Communist Party of China (CPC) has been forced to engage in the uncomfortable co-option of faiths such as Buddhism. At the same time, it is now searching for fresh “sources of ideological legitimacy” while attempting to exploit contemporary technologies.

The World

With this kind of “China's rise, what does it mean for the rest of the world?”

The Communist Party of China is “increasingly turning to nationalism to establish legitimacy in the eyes of its people as China continues to struggle with the middle-income trap and as economic development slows down.” As a result, we have seen part of the recent shrillness in Chinese reactions to developments from the outside world. In 1990, Deng Xiaoping advocated for a 24-character strategy for China, which included the following: “Observe calmly; secure our position; cope with affairs calmly; hide our capacities and bide our time; be good at maintaining a low profile; and never claim leadership.”^[6] One of the amendments that President Hu Jintao made in 2009 was to modify the last eight characters so that they read as follows: “firmly uphold (坚持jianchi) keeping a low profile (韬光养晦taoguangyanghui) and actively ((jiji)achieve something (有所作为yousuo Huawei).” “Since 2012, China” has stopped using these allusions to modesty and humility and instead continues



talking about playing its part and taking responsibility for its actions. When it comes to wanting "a new type of great power relationship" (also known as "액型大国关系 xinxing duo guanxi") with the United States, it is now publicly describing itself in public as an immense power, tacitly presenting itself as an equal to the United States. It should come as no surprise "that Deng's humility, regardless of whether it is mock Confucian or not, is no longer the acknowledged guiding principle for China's attitude toward the outside world." On the contrary, China is now attempting to "assume its responsibilities" and "to demonstrate its prowess." There are currently Chinese intellectuals such as Yan Xuetong who are expressing the need for China to initiate the formation of several military alliances in its immediate vicinity to challenge the legitimacy of the United States' alliance system.

"China's economic growth has provided it with the means to support double-digit increases in defence spending for over 25 years. This has enabled China to construct a military force capable of giving pause to the sole superpower in China's immediate vicinity, and it can undoubtedly ensure dominance against all of its giant neighbours, except Russia, India, and Japan. Since 2008, it has rekindled its maritime conflicts in the seas close to China, including in the East China Sea with Japan and the South China Sea with Vietnam and other ASEAN countries. Additionally, it has undertaken a much more forceful defence of an enlarged definition of its primary interests."^[7]

What kind of conduct can we expect from China as a sovereign nation in the future? China's ascent to power has captivated the globe so much that even academics have responded strongly to it. Some have predicted that China will soon collapse, while others have predicted that there will come a day when China will rule the world. One recent book was titled "When China Rules the World." Logical reasoning, "China's history and geography," and the country's current state all point to the fact that the reality lies somewhere in the middle and is far more complicated.^[8]

A sector of the economy focuses on "explaining China's actions by referring to China's history, the so-called tributary system, ancient Chinese barbarian-handling guides," and other similar sources. In the same way that India has a well-developed heritage of statecraft, China also has a tradition that dates "back at least two and a half thousand years. On the other hand, China's history is fundamentally a history of statecraft inside a closed system of ideologically and ethnically homogeneous states or entities."^[9] This is significantly different from India's history. People "who were not of the same ethnicity or who were not Han were seen to be cultural or civilizational inferiors." As a result, they were subjected to acculturation in which they were absorbed or sinicized. This process began "with the Chinese language and philosophy," which admitted that there was no equal. Before the Tang period, when they contacted India and Buddhism, the Chinese did not consider any other alternatives or other methods of statecraft. This proud person had no prior experience dealing "with diversity or a world of equals (aside from under 'barbarian' dynasties like the Manchus and the Mongols), so the impact of coming into contact with the modern world and the Western world's military and economic dominance in the nineteenth century was considerably more significant for China than for India or Japan."^[10]

China has a tremendous desire to gain prestige, "face," and "power after what they consider to be "a century of humiliation" and colonial degradation." This dread of barbarian encirclement has been left behind by history, and China has a strong desire to achieve these things. It is from this historical narrative that the CPC has borrowed the idea that the Communist Party is the only one capable of realizing and restoring China's pride, which in turn gives rise to China's current international aspirations for "status/'face,' the China Dream, and military might and domination."



In addition to “the effects of geography and China's current situation,” the consequences of history and the pain that occurred throughout the lengthy 19th century are amplified.

While the United States enjoys the protection of “two of the world's largest oceans, China finds itself in a highly congested neighbourhood, sharing land borders with thirteen nations.” Its only allies are North Korea and Pakistan, and even its most contentious neighbours, like Japan, India, and Vietnam, have been building up their arsenals of hard and soft power and collaborating. Increasing levels of nationalism in China have gradually deteriorated the country's ties with most of its neighbours.

China has come a long way in becoming a superpower. However, it can still not control, create, or enforce a security or “political order in its immediate backyard, the Asia-Pacific. As a result of the nature of China's interactions with key nations such as India, Japan, Vietnam, Indonesia, Russia, and others, this is a consequence not just of the balance of power and the existence of the United States but also of the United States' failure to provide a normative framework.”^[11] Guarantee security in the commons via alliances and bases, and the United States do not want to continue doing so. In that case, we should anticipate that the Asia–Pacific region will remain unstable. It is referred to as multipolarity, and it is welcomed by those who are optimistic and “those who want to alter the status quo, such as China. This is because instability allows one to pursue one's interests and opens up the prospect of strengthening one's position.”

Amid such political and security turmoil and the fragment and “the Trans-Pacific Partnership (TPP), the Regional Comprehensive Economic Partnership (RCEP),” and other regional free trade accords represent, can the global economy recover and thrive? That is not possible. In addition, the formation of opposing coalitions and alliances, whether official or informal, would be the logical response to protracted instability and strategic rivalry amongst the powers in the area.

China's stated commitment to “win-win diplomacy, Confucian compassion, and economic growth are unlikely” to be good indicators of the path that China will take in the future. This is similar to how the United States professed adherence “to freedom, or democracy has never been an effective predictor of the conduct of the United States. Instead, as I have said before, pursuing status and power—political, military, and economic—is likely to continue to be the primary motivator of Chinese foreign policy.”

One of the few factors that may take precedence over this is the continuation of the Chinese government, a scenario that is difficult to imagine and very improbable. The quest for status and power will be curtailed or adjusted if it is determined that the results of the desire for these things pose a danger to the control of the CPC. For now, one ought to anticipate more of the “assertive” China. It is a step in this direction, as shown by its lofty objective of making the Chinese Dream a reality.

India

What Implications “Does This Have for India?”

“What my analysis says is that, in the absence of significant changes in the conduct of either China or the United States, which I believe to be very improbable, the development of China promises a protracted period of political and security instability in Asia and the Pacific for a considerable amount of time.” The global economy will only recover slowly and never revert to the prosperous era of globalization and free markets that existed before 2008.^[12] According to Mao, the primary contradiction would continue to be the fight for security between the United States and China. Since 2008, China has been displaying a more aggressive side, which is expected to continue for the foreseeable future.



China's security predicaments with Japan, India, Vietnam, and other countries will become much more challenging to manage.^[13]

This means that the climate in which we, the people of India, pursue our interests will get more complicated moving forward. Additionally, India has a variety of partners and collaborators to choose from to operate within the framework of our objectives because of “the complexity of the situation in the Asia–Pacific region.”

A person who is confident Even if all of the technical work has been completed, it is doubtful that China would attempt to find a solution to the border dispute as quickly as possible, regardless of how reasonable we may be. It has been fifty years since the border has been stable, implying that the most reasonable approach is to make concessions based on the status quo. “However, China's other interests, such as its ties with Pakistan, its worries about Tibet, and its need to keep levers in its relationship with India, imply that a border resolution is not a priority for China now, given the circumstances.^[14] (Nor does it appear to be a priority of the current administration in New Delhi since the leaders' Special Representatives for the border problem have not met or addressed these matters in depth yet.)”

China views Pakistan as an essential ally in its fight against “religious extremism and terrorism in Xinjiang, as well as in securing overland access to the Indian Ocean, controlling India,” gaining access to Western weapon technology, and its involvement in Pakistan-occupied Kashmir. To promote “Pakistan's usefulness to those who need to balance India's ascent and acquisition of power and agency, including China, the United States, and others, Pakistan aims to draw India into a conflict.” This will allow Pakistan to establish its utility against India. Currently, Russia is selling weaponry to Pakistan, the United States is sending armaments to Pakistan and is having discussions with it about “its nuclear weapons programme and the future of Afghanistan, and China has committed 46 billion dollars to an economic corridor and the construction of the port of Gwadar in Pakistan.” Every single one of them signifies a heightened devotion to Pakistan, which is far greater than it has ever been before.^[15] We have decided to equate ourselves with Pakistan over the last year, and we are requesting that the West abstain from providing help to Pakistan. However, those powers are motivated by their interests rather than feelings or reasoning. They will not risk their lives or resources to eradicate terrorism that originates in Pakistan on behalf of India until it poses “a danger to them, as happened when General Musharraf turned over Al Qaeda members, and they pursued Osama bin Laden independently.”

In addition “to this, China is dependent on the Indian Ocean,” and it harbours misgivings over the strategic coordination and defence cooperation between India and the United States.

When all of these elements are considered together, China will likely continue to use the border issue as a lever in its bilateral relationships with India. It is also doubtful that the leadership of the Communist Party of China (CPC), which is becoming more and more dependent on “nationalism for its legitimacy,” would find it simple to reach the concessions that are required for a border resolution. When it comes to India, this “is also true. This is one of the reasons why public Chinese rhetoric on the border” with India has been more forceful over the last several years, even though China's position on the border has remained the same.^[16]

On the other hand, India and China cover more ground than just their border. Since the 1993 “Border Peace and Tranquilly Agreement and subsequent CBMs stabilized the status quo—a situation neither side has sought to fundamentally alter in the past 30 years—while simultaneously enhancing



their infrastructure, capabilities, and position—the border's overall salience in the relationship has diminished significantly.”^[17]

On a bilateral level, China has become India's most important trade partner in terms of products “while we fight for markets worldwide. Over 11,000 Indian students are now enrolled in Chinese educational institutions, and we have systems in place to address problems such as trans-border rivers, the trade imbalance, and other such concerns. Additionally, India and China have collaborated on several global problems in multilateral forums, each pursuing our interests.”^[18] This includes discussions about the Trade Organisation (WTO), change, and other topics. Suppose we are unable to reach a consensus on the boundary. In that case, a significant amount of work must be done and addressed on both sides of the border, as well as via collaborative efforts on the international stage.

We have a relationship that is fundamentally characterized by characteristics of both collaboration and competition operating simultaneously. It is also true that this contradiction exists regarding fundamental national interests. These two nations aim to enhance the present economic and security order in their respective countries. These are why India was among the founding countries of “the AIIB and the NDB. Our competition in the periphery that we share is the reason for our reluctance to support the One Belt, One Road initiative and our sensitivity to the deployment of Chinese armed forces in the coastal region of the Indian Ocean. In addition, neither side believes that the other has acknowledged the territorial integrity of the other region.”^[19]

One excellent illustration of this paradox is the maritime security system. Each nation will fight any effort “by the other to dominate the oceans and straits these sea lanes travel through, even though both nations have a similar interest in maintaining free sea lanes of communication.”

Under these circumstances, “the rest of the world can only play a limited” role as a facilitator in the relationship between India and China. To a lesser or more significant extent, other nations will utilize rivalry between India and China for their objectives. This is something that we can see most clearly in our surrounding countries that are smaller, such as Nepal. One of the most important relationships that will ultimately define our destiny is the one between India and China.^[20] We shall be responsible for dealing with it on our own. No events, dramas, visits, or projections make up foreign policy. It is a laborious endeavour directed “by a vision of India's interests, and our connection with China is more evidence of this than any other partnership. We have experienced everything from failing to treading water to effectively managing tensions in India-China ties since the 1950s. We have gone through the whole gamut.” Today, we are entering a new period in our relationship, and I hope we can achieve a new balance smoothly and efficiently.

In the near run, the pattern of collaboration and competition will continue to be a defining characteristic of the partnership. This is what I can see happening. This prediction could be impacted by the fact that conservative, authoritarian centralizers have been ascending to power in India, China, and Japan since 2012. These leaders are conservative within their own societies and political parties, lack experience in foreign policy and central government, and have strong ideological leanings towards “nationalist and even chauvinist rhetoric. The phrases used to describe foreign and security policy in China, India, and Japan have gotten considerably more depressing, even though the leaders have been guarded in their public statements.” There is a widespread prevalence of “anti-foreign sentiments, jingoistic slogans, intolerant notions,” and outright rude behaviour, and this is not limited to the Internet alone. Given



normal circumstances, they would not be significant; nonetheless, given the current circumstances, “governments are under tremendous pressure and may seek external relief from internal challenges.”

Conclusion

An additional concern in the context of India-China relations is the disparity “between perception and reality. The China that I see depicted in Indian commentary on China has very little to do with the China that I have worked with, lived in, and seen when I go there.” The same may be said of how Chinese people see India but to a lesser extent. Recently, the condition has significantly worsened in severity. Narratives that depict conflict and competing interests as unavoidable may become self-fulfilling prophecies. Before 1962, India and China conducted their operations based on an idealized construct of the other, which could not have been further from the truth. Furthermore, for the whole of “the 1950s, the disparity between academic research and policy in China and India became even more pronounced. Conflict emerged as a consequence.”

My argument differs from that; we are now in a scenario comparable to last time. “We are now at a moment of opportunity for India–China relations.” This is due to the fast growth that both countries have experienced over the last thirty years, the accomplishments “we have made bilaterally during this period, and the development of the worldwide situation.” I would even go so far as to suggest that for any nation to advance its fundamental interests, it would be beneficial for them to collaborate with them.

But to use that potential, both nations must have a mutual understanding of one another and the reality and perceptions that serve as the basis for their activities. Any policy that is based on the idea of a dragon or other mythical beast will not work in China.

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