

# China woos India to parry US containment strategy

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Chinese President Hu Jintao made a four-day visit to India last week, then spent three days in Pakistan.

Sino-Indian relations have long been strained. In 1962 the two countries fought a brief war over a border dispute that still remains unresolved. In June 2003, in the immediate aftermath of the illegal US invasion of Iraq, China and India initiated a rapprochement. But Asia's two aspirant world powers have frequently found themselves competing for investment, foreign energy resources, and international influence.

Pakistan, India's historic rival, has a special relationship with China dating back to the mid-1960s. The Pakistani elite often refers to China as Pakistan's "all-weather friend," a snipe at the US, which it contends has repeatedly responded to shifts in world geo-politics by leaving Pakistan in the lurch.

Hu's South Asia trip demonstrated that China's leadership is anxious to redefine Sino-Indian relations and that India is seeking to straddle the growing geo-political fault-line between China and the US.

To India, Hu offered a dramatic increase in bilateral relations, including a greatly enhanced economic partnership, military exchanges, and civilian nuclear cooperation.

Hu and his aides also reportedly signaled that China will not stand in the way of the 45-state Nuclear Supplier Group endorsing the agreement Washington has made with New Delhi to give India a unique status within the world nuclear regulatory regime. Under this agreement, India will be given access to foreign nuclear fuel and technology even though it has refused to sign the Nuclear Non-Proliferation Treaty (NPT).

The Bush administration has touted the Indo-US nuclear accord as a major diplomatic coup, arguing that it will cement an Indo-US strategic partnership that will have a transformative impact on world geo-politics in the twenty-first century.

Through the accord and subsequent increased Indo-US economic, nuclear-technological, military, and geo-political ties, the Bush administration and US foreign policy establishment intend to harness India to US ambitions in Asia—particularly US attempts to contain China and expand American influence in oil-rich Central Asia.

Till last week, China, without categorically opposing the Indo-US nuclear accord, had signaled wariness and suspicion of it. In an October 30 commentary, the *People's Daily* said of the Indo-US nuclear accord, "It is clear that the United States's deliberate violation of the NPT is a move to contain other nations. US assistance to India is a kind of nuclear proliferation."

The campaign Beijing has now launched to woo India indicates that the Chinese government has concluded it can best parry the US

strategic thrust in South Asia, by aggressively courting India. Undoubtedly one of the factors emboldening China is the shipwreck of the Bush administration's strategy to assert US global hegemony through the conquest of Iraq.

India, meanwhile, is acutely aware that the US is hoping to ensnare it in a dependent relationship and use it as a counterweight to China. In the seventeen months since Indian Prime Minister Manmohan Singh and US President George W. Bush first reached a tentative nuclear accord—the deal was finalized last March—the US has repeatedly brought heavy pressure to bear on India to support US foreign policy, especially Washington's attempts to bully Iran over its nuclear program.

There are a number of reasons why the Congress Party-led United Progressive Alliance (UPA) government and Indian big business have clutched at the nuclear accord offered by Washington. Under the accord India would gain access to foreign nuclear fuel and technology enabling it to concentrate the resources of its own nuclear program on weapons development. The accord constitutes de facto recognition of India as a nuclear-weapons state and thus represents a significant step toward winning the status of world power that India's elite has long-coveted. The accord would place India's relations with the US on a new plane, paving the way for substantially increased investment and a potentially greater role for India in world affairs where US and Indian interests coincide, as in propping up the Karzai government in Afghanistan.

But even as India under the UPA government has tilted toward the US, voting with it against Iran at meetings of the International Atomic Energy Agency and voicing only the meekest of criticisms of last summer's Israeli invasion of Lebanon, it has pursued closer relations with other major world powers, most notably China and Russia. The hope of India's elite is that it will be able to navigate the quickening currents of world geo-politics without getting caught in the wake of one of the bigger powers; that it will be able to exploit its position as, what a CIA document called, the most important "potential swing state" in the world geo-political order.

A central theme of the speeches given by Hu and Manmohan Singh during the Chinese president's visit, as well as the "Joint declaration issued by the Republic of India and the People's Republic of China," was that India and China are partners and that the rise of one can and should facilitate—not hamper or frustrate—the rise of the other.

"Both sides agree," said the joint statement, "that the relationship between India and China ... is of global and strategic significance. ... Both sides hold that view that there exist bright prospects for their common development, that they are not rivals or competitors but are partners for mutual benefit. ... As two major countries in the emerging

multi-polar global order, the simultaneous development of India and China will have a positive influence on the future international system.”

Said Manmohan Singh, “There is enough space for the two countries to develop together in a mutually supportive manner while remaining sensitive to each other’s concerns and aspirations, as befits good neighbors and partners for mutual benefit.”

Chinese President Hu, for his part, declared “India’s growth is an opportunity not a threat.”

With the aim of making the improvement in Sino-Indian relations “irreversible,” India and China signed 13 protocols, agreements, and memorandums of understanding during Hu’s visit. The two states also announced a 10-progned strategy to enhance and diversify their bilateral relations. The strategy calls for: the doubling of Sino-Indian trade—China is already India’s second largest trading—from \$20 billion to \$40 billion per year by 2010; regular summit meetings between the two countries’ heads of government; “early settlement” of the boundary dispute; closer cooperation in the management of the rivers that cross the Sino-Indian border; joint initiatives to secure foreign energy resources; and coordination as co-“leaders of the developing world” of strategy at the WTO negotiations and in other international forums.

Claiming that “China does not seek any selfish gains in South Asia,” President Hu affirmed China’s full support for the Indo-Pakistani peace process that was initiated at the beginning of 2003. He added that if asked, China would be ready to help facilitate India’s reconciliation with Pakistan.

Some Indian press reports say that Chinese officials also signaled that Beijing is not opposed to India obtaining a permanent seat on the UN Security Council. But the joint statement only committed China to supporting “India’s aspirations to play a greater role in the United Nations.”

Hu is reputed to have told the leaders of the Left Front, the Communist Party of India (Marxist)-led coalition that is propping up the UPA in India’s parliament, that they should be “more pragmatic” in their attitude to further neo-liberal socio-economic reform. The Left Front, which has implemented pro-investor polices in the states where it forms the government citing the example of China’s Stalinist regime, has hotly contested the reports of what happened at its closed door meeting with the Chinese president. If Hu did in fact urge the Left Front to be even more accommodating to Indian and foreign capital, it would only underscore the extent to which Hu and the Chinese leadership are intent on wooing the India government and big business.

While Hu’s visit represents a potential new point of departure in Sino-Indian relations, the two states have a long history of strained relations and a minefield of conflicting economic and geo-political interests, even if one leaves aside the fact that China is the most important supplier of arms to Pakistan and, through the building of a port at Gwadar in the Pakistani province of Baluchistan, is seeking to establish a naval presence in the Arabian Sea and Indian Ocean.

Both India and China are increasingly dependent on foreign energy imports and have been involved in bidding wars to secure oil and natural gas reserves.

While the India government and business has welcomed the growth in Sino-Indian trade, sections of the Indian press have expressed alarm at China’s growing economic importance in South Asia as a whole. China, for example, recently supplanted India as Bangladesh’s most important trading partner. Hu, on completing his India visit, flew to

Pakistan and signed a Sino-Pakistani free trade agreement. The Indian elite has promoted a South Asian Free Trade Agreement (SAFTA) as a means of consolidating its economic and geo-political dominance over the subcontinent, but because of the Indo-Pakistani conflict and other state rivalries India’s efforts to create an Indian-led South Asian economic zone have gone little beyond the drawing board.

India and China have also been involved in an economic and geo-political rivalry in south-east Asia, with India and China competing for energy from Burma and India fearful that China will prevent it from participating in an enlarged East Asian trading bloc.

Just days before Hu’s visit, the Chinese ambassador to India reasserted China’s claim to territory in the east Indian state of Arunachal Pradesh. It has been suggested that this statement was scripted by Beijing so as to stir up controversy and thereby prod New Delhi into taking greater interest in a speedy resolution of the border dispute. But even if true, the angry reaction to the ambassador’s remarks underscores that there will be no easy resolution to the conflicting territorial claims.

Last but not least, the US will not stand idly by. There has been virtually no public reaction from the US political establishment to Hu’s visit and China’s courting of India, but as has already been seen with the demands from the Bush administration and US congressional leaders that India toe the US line on Iran, Washington intends to exact a hefty price for the Indo-US nuclear accord.

The second-leg of Hu’s South Asia tour also had a message for India. Should India spurn China’s offer of a partnership or find itself bullied into doing Washington’s bidding, China can respond by tightening its already close alliance with India’s arch-rival Pakistan.

The free trade agreement Hu and Pakistani dictator General Pervez Musharraf initialed during the former’s visit to Islamabad is only the second free trade agreement that China has entered into. The Chinese and Pakistani governments also announced numerous other projects to promote closer economic and military integration, including the establishment of a special economic zone for Chinese textile companies in Faisalabad and joint development of long-range early-warning radar aircraft.

China is presently involved in several civilian nuclear power construction projects in Pakistan. But Hu and Musharraf did not announce, as it had been rumored they would, a Sino-Pakistani civilian nuclear accord comparable to that India and the US have negotiated. Such an agreement would have cut across Beijing efforts to court India, and the lack of any such agreement was duly noted by the Indian press.

But China has not ruled out such an accord in the future.

It merits noting that the author of the aforementioned *People’s Daily* comment that roundly attacked the Indo-US nuclear accord argued that given the huge gap between the size of India’s and Pakistan’s conventional forces. “It is Pakistan that needs nuclear weapons.”



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