

India, China and the United States: The Triangle That Isn't

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At the outset, I should like to clarify that I am not going to theorize or build models on global or regional international relations. I am also not going to speak on India and China as such as I have already spoken on it at some length some months ago at the Indian Council of World Affairs. If anyone would like to look through the text of that speech, she or he could get it from the ICWA or from me. This lecture is, in the nature of things, more China focussed.

May I recall for you that when Nixon and Kissinger met Mao in Beijing and tried to discuss the nitty-gritty of Sino-US relationship, Mao said to them, "Here we discuss only philosophy" – in other words, the philosophy of the world situation and of Sino-US relationship. So I am afraid I shall also have to discuss some philosophy to set the framework in which I consider the theme today.

When the Qin dynasty was established around 221 BC, a distinguished Confucian scholar, with his long robes and long nails, speaking in measured tones, lectured the Emperor on how he should rule according to the canons of virtue and benevolence, or *ren* to use the Chinese philosophical term. Haughty, impatient and dismissive, the Emperor said, "Why should I do all that? I have won the empire on the horseback". "Yes, but can you rule it from the horseback? And what brought about the downfall of your predecessor?", the scholar responded.

This in fact was the continuation of the two traditions in China: the absolute power of the ruler who wins the empire on horseback and the compulsion to take the welfare of the people into consideration if the dynasty's rule was to be maintained. Confucius, the sage who systemised for China all its ruling ideas that continue to influence and shape the thinking of the Chinese people to this day, insisted on absolute authority of the Emperor – no checks and balances. Mo Ze, or Mencius, his most celebrated disciple took pains to highlight the other aspect of governance admonished by his mentor (or Master, as they used to say in those days), *ren*, benevolence, good heartedness, howsoever you might like to translate that concept. Essentially, it prescribed the injunction that the ruler must look after the welfare of the people, or else he could be

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overthrown by a popular revolt: the celebrated concept of the withdrawal of the mandate of Heaven.

This binary of governance remains the most enduring precept and practice in China to this day and haunts the present day rulers as well. Mao and his Party won the empire on the horseback, so to say. The Leninist political structure grafted on the Confucian framework made the Party's grip over power even more absolute. Indeed, in the olden days the Emperor's absolute power was somewhat notional because of distances and lack of communications. As the popular saying in China went, "Heaven is high above and the Emperor is far away". The Laobaixing or 'aam admi' in current parlance but which in the past Chinese context meant essentially the peasant, had to deal with the local magistrate and the gentry. Now the ubiquitous party cadres have replaced them and the communication revolution has further tightened their grip. The Confucian hierarchical system was sanctified many times over

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by the Leninist Party structure, with the local-level party secretary paying obeisance to the county party secretary who made his bows to the provincial party secretary, who in turn kowtowed to the Emperor and the nobility ruling from the Forbidden Palace in Beijing.

I should like to submit that I am in no way using these words in any pejorative sense, nor am I using them for any light-hearted fun. I am trying to explore for you the relationship between the ruler and the ruled in China that has existed for centuries on end and that is still intact and that could be the key to our understanding of China.

But that is where the rub lies. Absolute authority must be justified by the maintenance of the welfare of the people, if the mandate of Heaven were not to be withdrawn and the dynasty overthrown. For the present-day rulers, this means development, and more development, and continuous development. So, strict control and growth have to go together. If you lose one, you lose the other. Unchallenged control of the levers of power by the ruler – there would be no getting away from it. We must grasp the fundamentals of China. I have considered and reconsidered and have come to reject the facile view peddled by many western scholars that as state capitalism developed in China, "they would soon be like us". I submit, they are not going to be like us any time soon. China would likely remain a benevolent dictatorship or enlightened plutocracy, whichever way you would like to paint it, for a long while. The tiny sprouts of liberalism and democracy will take many a long years to stand firm and grow strong.

This is the reality we need to accept to understand China. If we comprehend the dual existence of the two traditions, we can unravel much of what is supposed to be the mystery of China. This reality is well-understood by a great many people in China. As a taxi driver speaking about the futility of opposing the government, quoting a Chinese proverb, told a Chinese-knowing Western correspondent, “it is like throwing a meat dumpling to hit a dog”. I should add that, as in the past, “the government cared little about the reality of public consent, it required only the appearance of it”. And, if some brave heart did not appreciate it, there was an 11-year jail term waiting for him, as Liu Xiaobo found it to his dismay. Or your lawyer's licence may be cancelled if you dare defend those the Party frowns upon, as was the fate awaiting some well-known lawyers like Teng Biao, Li Wuxi, Zheng Enzhong, Gao Zhisheng and a number of others.

Into this traditional structure intruded a modern element – nationalism, or modern nationalism. The Manchu dynasty was overthrown in the final analysis by its failure to protect the country from foreign aggression. The Communist Party of China came to power on a rising crest of Chinese nationalism, even if was so-called peasant nationalism against the marauding campaigns of Japanese armies and their collaborators, many landlords of China. The Party claimed to be the true inheritor of Chinese nationalism. With the fading away of the Marxist vision in China, growth and nationalism are now the essential underpinnings of the legitimacy of exercising absolute authority.

This is what often makes them nervous, and this is what often makes them rigid. And this will also set the terms of their discourse whether with India or with the United States. Many times we fail to comprehend the roots of the rigidity China exhibits every now and then. Dr. Manmohan Singh was surprised as he himself admitted during his visit to USA, and so too Obama and Clinton over many issues with the Chinese.

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With India, there is an additional problem. To go back to the well known Chinese saying, “Two tigers cannot share one mountain”. India may not be as big or as grown up a tiger as China, but, it will not vanish or be gobbled up. Another tiger has been around for quite a while – Japan, aging, less agile but not without considerable strength. Then there is the old lion, USA, somewhat wounded and a bit jaded, but still stronger than any of the big cats on the mountain. So a lot of sharing is needed. The Chinese are learning as are the Americans. Neither of them may be very comfortable about it at times (so

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palpably evident from the unofficial unease one notices in China over the rise of India). But facts are stubborn, as they say, and if the Chinese remain faithful to Deng Xiaoping's dictum, seek truth from facts, shi shi qiu shi, they will have to make their peace with the facts.

That brings us to the core theme – Sino-US and India-US or the much talked about India-China-US Triangle that I am contesting as having outlived its time. And my fear is that we are prone to becoming an easy prey to this kind of flattering equation.

If I may sum up, at the outset, my view of the present state of Sino-US relations, it can be described so well in another Chinese saying, "Sleeping in the same bed, but dreaming different dreams". That is the most appropriate way of examining this relationship.

But before I expatiate on it, let me expound it in a slightly different way. We all – or most of us - believe in the theory of evolution. History evolves; relationships evolve. I think we can apply this evolution to Sino-US relations since World War II. As the cold war intensified, Sino-US relations remained frozen until Mao decided that his main contradiction was with Breznev and Kosygin, and thus were Kissinger and Nixon invited to China to do their kowtow to the chief occupant of the Forbidden Palace. So, a new phase of relationship began primarily directed against the Soviet Union. Other relations between the two developed somewhat warily. Deng Xiaoping gave further boost to this new phase through his visit to the US. In addition, his policy of "opening to the world" and utilising foreign capital captivated the West, and many fanciful theories were spun, "how China was soon going to be like us". For the West, to use Indira Gandhi's words, China could do no wrong.

A slight dent in this web of wishful and wistful thinking was made by the Chinese armed attack on Vietnam, but still for the US, it was a small beer as it had itself earlier engaged in some similar activity. The real shattering event for US opinion was the Tiananmen tragedy in June 1989. It was after the massacre that the US began to look around for an arc of balancing forces. The alliance with Japan needed strengthening, first of all. Apart from Australia and New Zealand, India was the most promising counter balancing force. Gradually, a new warmth in India-US relations was noticeable. As you all know, Condoleeza Rice came to tell Manmohan Singh that USA desired India to be a great power and would help it in the process of attaining the high summit. I shall come back to the changing scenario for India in a while, but other developments were in the offing that made for a qualitative change in the character of Sino-US relations, to use a Marxian phrase. Sino-US ties were mutating into a new phase, inevitably and inexorably. As China's economic development soared, as

it became the factory of the world, and as American appetite for Chinese, and China-made goods grew insatiably, Sino-US relationship was transformed into a symbiotic relationship in which neither side could hurt the other fatally without hurting itself fatally as well. The global financial crisis lighted up this contradiction as nothing else could have done in such ample measure. As a senior financial researcher of the Chinese Academy of Social Sciences put it, “the financial crisis has shown that China and the United States are just like two sides of one coin, the two are inseparable from each other. China cares as much about the US economy as the Americans themselves”.

Sure, the Chinese remained worried about the health of their nearly 900 billion dollars worth of their treasure troves of US treasury bonds and notes, as the

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Chinese Prime Minister openly expressed. Sure, there are economists who advised China to diversify the use of its foreign exchange holdings. Sure, China has signed 650 billion Yuan worth of currency swaps with 6 nations, including Indonesia, Argentina and Belarus and sure enough, China announced its intention of purchasing \$50 billion worth of IMF's Drawing Rights. Yet, it is a small change compared to the pile that they own from the US. He Maochun, Director of the Research Centre of Economy and Diplomacy of Tsinghua University hit it on the nail's head, “China does not have a better option than the US Treasuries which are relatively secure compared to other options.” Yu Bin, a Senior Fellow of the Shanghai Association of American Studies believed that, “China's rejuvenation could not be achieved without cooperation and friendly relations with the United States”.

In fact, analysts in China have begun to define the situation in the Churchillian phrase, balance of terror slightly modified into the balance of financial terror, or the situation being akin to MAD (Mutual Assured Destruction). So, America and China get occupied with advancing “strategic reassurance” to each other. USA says to China: We shall not come in the way of your rise into a big power, provided you do not hurt our interests. China responds: You keep our core interest; we shall keep your core interest in mind.

The plaintive nature of America's pleadings with China was equally evident when Obama visited Asia. As it was said, Obama praised Japan, but saluted China. The Chinese are great ones in poking fun privately and through their blogs. So a joke was current in Beijing after Obama's visit. Obama asked Hu:

“What do you think about dissidents and critics?” Hu replied, “Prison”. But the Chinese word Hu used, “da lao” sounded like dialogue. So Obama replied: “Dialogue, that’s fine”. So, on both sides, you would like to think what you want to.

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If you believe in dialectics, or even if you do not, history has confirmed that the main current of the time evokes counter currents that may or may not become dominant subsequently. I shall briefly mention the counter currents in the US before I deal with them more fully in regard to China. The shock and awe of the financial meltdown and the resultant suffering for many, the agonising realization that a sheer credit card economy was unsustainable and the new awareness that some saving for a rainy day was not to be disdained, could leave a long term wound on the American psyche. Whether in the next few years USA would buy less and less from China, cannot be foretold at this time (because China lowered costs of production whenever necessary by depressing wages and because American multi nationals were making handsome profits in China). China's wages were just 2-4 per

cent of the American's wages.

Unlike the rather moderate official complaints, there is considerable anger at other levels in the US at China's Yuan-exchange rate policy. The noble laureate Paul Krugman has denounced it as mercantilist and the chief source of US deficit woes - a view shared by many others in the United States, particularly in the US Congress.

But, it is in China that the counter-trends assume more acute reactions that stem from new waves of nationalism, still somewhat incipient, without official sanction, but exercising a growing influence on the people. Oddly, it is the lament about “over-dependence” on USA that has aroused this new nationalism. In a somewhat noticed writing, a graduate of the Chinese University of Hong Kong, and now Assistant Professor at Indiana University, Hung Hofung has labelled China as “America's head servant” and warns that it would ever remain so, unless it broke the US grip on power and helped establish a new economic order that offered opportunities to the billions of people now left out. For China to be able to do that, it must change its own economic policies – from exports to consumption, from power of the coastal urban elite to the rural grassroots forces – and undertake large-scale distribution of wealth (things that Beijing is hardly likely to do).

However, it is not this, but a more extreme current of nationalism that is gaining some popularity in China and that constitutes a more notable counter trend. There are books, articles and albums deploring China's weak-kneed response to USA and Japan. Music too is being turned into the service of this new nationalism. Many new lyrics, often banned and the lyricists and the musicians functioning from underground, criticise the regime and sing about democracy and the prevailing corruption. "Taiwan is ours, Tibet is ours, compromising with USA and Japan is disgraceful". Their lament: "The government takes a very tough line towards its own people, but outside China it is very soft". The most articulate in this genre of new or popular nationalist outpourings is the book entitled *Unhappy China* which has already sold some 800,000 copies, and which is in a way a successor to an earlier book "China that can say No" in the nineties. All of them want China to stand up to USA and assume the leadership of the world.

A word of caution is called for here. As I mentioned earlier, these do not yet constitute the mainstream, but they are already significant undercurrents that may or may not turn into the mainstream or may force the leadership to act in consonance with these sentiments, in order to retain its control.

The present historical era in Sino-US relations is what I have described as "sleeping in the same bed, but dreaming different dreams". I have explained what I mean by China and USA sleeping in the same bed. Now, I come to the other part, dreaming different dreams. Undoubtedly, their dreams are not the same. USA is dreaming to remain the city on the hill, to retain its hegemony, to maintain its technological edge. The Americans are also perhaps dreaming of what they were. What they were was elegantly described by a well-known writer: "We Americans are the teenagers of the world, brimming with enthusiasm and arrogance, innocence and narcissism, creativity and emotion, thinking we know everything, that we are invincible, that the world revolves around us". Americans wish to recover at least the last part of this dream. But, has the time come for the American awakening? Is it for real and will it last? We shall know soon.

The Chinese dreams are very different. Many of them are dreaming to be a super power in the not-too-distant future. They are dreaming, first of all, to

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establish a G-2 like situation, a kind of parity with the United States, and then perhaps race ahead of the United States. They [or rather many of them] are dreaming of a time when China would be setting the rules of engagement in the world. It is a long haul, but then dreams are not time-bound. A Senior Colonel of the People's Liberation Army, Li Mingfu says in his recent book, 'The China Dream' that China's goal in the 21st century was to become world's number one, the top power and adds that as long as China sought to become number one, no matter even if China was more capitalist than the U.S, the U.S. would still be determined to contain it. I should add that the Chinese Government did not publicize its goals that aggressively; on the contrary, it stressed peaceful rise.

Since the dreams are different, their outlook and their approaches are different, shaped also by their history, their experiences, their political systems, their institutions and their requirements. Hence, there are enormous differences in their policies, whether they relate to arms supplies to Taiwan, approach towards the Dalai Lama, trade policies, cyber intrusions, North Korea's yes and no responses, or Iran's suspected quest for nuclear weapons capability. The differences remain and may become even sharper in some cases, but that should not blind us to the fundamental nature of their relationship in this era.

However, there is one issue that could possibly snap all other relationships, the issue of Taiwan, if the leadership felt its claim over the Island fatally slipping, or the balance within the central leadership tilting towards the PLA's more hawkish standpoint, or if the nationalist tide over the issue became irresistible. "This time China must punish the US." said Major General Yang Yi, a naval officer. "We must make them hurt." A major-general in the People's Liberation Army (PLA), Luo Yuan, reportedly told a television audience that more missiles would be deployed against Taiwan. And a PLA strategist, Colonel Meng Xianying was reported to have said: "China would 'qualitatively upgrade' its military over the next 10 years to force a showdown 'when we're strong enough for a hand-to-hand fight with the US'."

Quite unlikely is this war-like talk, I should think, in the present era. The task before us was to remain concentrated on economic growth was the message intoned by Chinese Prime Minister Wen Jiabao to his countrymen, ushering in the Year of the Tiger. The Chinese Foreign Minister Yang Jiechi, even while proclaiming before the Munich Security Conference of senior diplomats and security officials around the world on 5 February that China would stick to principles affecting its core interests and major concerns, made no mention of either American military assistance to Taiwan or the role of the Dalai Lama, stressing instead China's path of peaceful development.

A serious-minded journal of the Chinese Communist Party recently published serious-minded articles whose main theme was, and I quote, "No matter how successful we have been in the past more than three decades, we remain a low-

income developing country, whose per capita GDP is less than one-tenth of that of developed countries. This is a basic circumstance many of our countrymen have tended to neglect when touting the country's recent progress. Cheap flattery only adds fuel to the ballooning sense of self-importance. In a sense, the media and some decision-makers are joining forces to present an elusive picture of prosperity and mislead the public”.

“The seldom-mentioned reality, however, is that the most challenging part of the reforms needed for the anticipated modernity is by and large not tackled. After enjoying the tantalizing dividends of the decisive break from past systems, we still face thornier tasks. And this country can no longer afford to concentrate solely on economic indicators.”

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So we have these varying pulls and pressures in China.

I would like to say a few words about India-US relations in this context. We tend to be oblivious to the built-in constraints for India and for the United States, both with regard to China and Pakistan. Undoubtedly, Indo-US relations have vastly improved and the two have discovered hitherto elusive convergence on many issues. Whatever the hiccups, India-US Agreement on Civil Nuclear Cooperation was a remarkable event. Equally, Indian democracy does pull some heart strings in many educated Americans. But, we should not let wish be the father of thought and should not hide the problems or exaggerate the impact of shared ideals of political systems on foreign policy.

The Americans are mired in Afghanistan, essentially because of Bush administration's folly of turning attention to the war against Saddam Hussain on flimsy grounds, much before the war against the Al Qaeda had been carried to its logical conclusion. The Al Qaeda and the Taliban got the much-needed respite to find secure havens in Pakistan and its frontier areas with Afghanistan. Then, as now, indeed much more critically now, America needs Pakistan to prevail over the Jehadi fighters. The Americans know precisely what the real situation in Pakistan is and what links some of the arms of the Pakistan Government have with many militant organisations and what Pakistan's real intentions in regard to Afghanistan are, as is evident by occasional outbursts of high-level US administration officials' and Obama's letter to President Zardari. Hillary Clinton could not restrain herself while

speaking to Pakistani correspondents. "It was hard to believe that nobody in your government knows where they are and couldn't get them if they really wanted to", she exclaimed.

But the Americans have their one hand tied behind them. To keep it on board, their purse strings have been opened generously for Pakistan. This developing

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situation has hurt India, even if Washington did not wish so. And now the Americans are pleading even with China to help them in Pakistan and Afghanistan. The establishment in Pakistan believes it has a ticket now to Afghanistan and is preparing for the day the Americans would be leaving in a couple of years, as everyone believes now. The Americans cannot resolve this contradiction, nor can we resolve it for them. Already, we see the American Generals in command in the region tilting towards Pakistan's viewpoint. General Mike Mullen, Chief of Staff of the United States is convinced that the Kashmir issue between

India and Pakistan "is key to stability in South Asia where all terror groups including Al Qaeda, Taliban, LeT and JeM are working much more closely together now than a year ago. I actually believe that the challenges that exist tied to the border in Kashmir are key to solving that or moving forward on that are critical in terms of the overall stability of the region". In a similar way, General Stanley McCrystal echoed a Pakistani refrain in his assessment of the prospect in Afghanistan by saying "increasing Indian influence in Afghanistan is likely to exacerbate regional tensions and encourage Pakistani counter measures in Afghanistan or India". This appears to be a digression but in fact is germane to my theme.


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So is in regard to China, although not to the same degree. The United States is now far too indebted to China, both literally and figuratively, to think in terms of a democratic India as their mainstay in Asia (nor am I personally in favour of that kind of relationship by India with any country of the world). Nevertheless, illusions must not cloud our understanding of the politics and economics of the world situation. While I say this, I also advise against treating USA as an antagonistic power. There is no India-China-US triangle in Asia, yet let us not forget that our relations with USA are in a different category and will be necessarily more

intense and more intimate than our relations with China. Yes, USA would not wish for an Asian dominance by China and would hope for a balanced situation where it plays a crucial role. But then India too would like to see a situation in

which no one power dominates.

All three of them, India, China and USA could develop more beneficial relations if they could follow the ancient Chinese words of wisdom, "Stand high and look far". Can they really do it? If they try, well, let us see. In India, it is the electronic media that will immediately bring down any such attempt, in USA it would be the foreign policy elite and in China the rising ambitions of an emerging big power.

Power is intoxicating. It produces its own hubris. It breeds its own narcissism and with it the temptation to stretch power farther and farther until it comes dangerously close to snapping. That is what happened to USA. Will that happen to China? The Chinese leadership is more sober and level-headed but feels the heat of the rising, fierce nationalism of the urban, educated youth and the military class. If I may pose a philosophical question: How is it that every new great power forgets the lessons of history? Will India resist the temptation? Perhaps all this is a little too far in the future. 

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