India

China’s Military Modernization:
Responses from India

*Arun Sahgal*
EXECUTIVE SUMMARY

This chapter examines the impact of Chinese military modernization on India’s military and strategic posture and outlines the country’s response to this growing security concern.

MAIN ARGUMENT:
China’s military modernization, capacity-building, infrastructure development in Tibet, and moves into the Indian Ocean pose serious challenges to India’s security. China’s growing footprint in South Asia and attempts to bring peripheral states into its circle of influence only add to these concerns. There is a duality in approaches to dealing with these challenges: while broader political discourse underscores cooperation and downplays competition, there is nonetheless a growing realization that India needs to develop credible hard power as a dissuasive strategy against China. India’s strategic dilemma thus lies in shaping its political response to external balancing. Although there is the understanding of a strategic convergence between India and the U.S., there is little consensus on how to shape this relationship to further India’s strategic interests. New Delhi continues to face a policy dilemma about whether to be a regional balancer, a swing state, or a strategic hedge.

POLICY IMPLICATIONS:
• The period between now and 2025 is one of strategic vulnerability for India. India needs to fast-track its plans for military modernization and its procedures for procurement.
• India needs to develop a strong bilateral relationship with the U.S., based on a congruence of strategic interests, as a hedge against China.
• To build its indigenous defense capability and industrial base, India needs to seriously examine the U.S. offer of defense cooperation, particularly in critical areas such as C4ISR, space, IT, and cyberspace.
• India needs to initiate a discussion on fostering maritime cooperation among the Asian littorals in order to establish “rimland security.”
India’s strategic concerns regarding China arise from the latter’s emergence as the most influential actor in Asia—one with the ability to shape the future balance of power. What is even more worrisome to India is growing Chinese influence in South Asia and the extended Indian Ocean region (IOR), where New Delhi believes Beijing is severely depreciating its area of influence. Furthermore, China is backing its aggressive assertions with a steady buildup of comprehensive national power and regional military capability. Its military budget has grown annually by double-digit figures for over two decades, with the current 2012–13 fiscal year (FY) outlay crossing $100 billion. This trend continues to fuel apprehension and concern that China will play an increasingly assertive role in Asia and beyond.

There is a general understanding in India that the main focus of China’s military modernization and grand strategy is geopolitical competition with the United States, particularly in light of Washington’s recently announced “rebalancing strategy” for the Asia-Pacific. Indian concerns about the modernization of the People’s Liberation Army (PLA), however, arise primarily from what Robert Kaplan calls the “collapse of distance brought about by advances in military technology,” allowing countries to encroach on each other’s sphere of influence. Although China tends to underplay the threat from India, both in terms of India’s military modernization and

---

Arun Sahgal is Joint Director of Net Assessment, Technology, and Simulation at the Institute of National Security Studies in New Delhi and Founding Director of the Indian Net Assessment Directorate. He can be reached at <brigarun.sahgal@gmail.com>.

existing capabilities, Beijing has recently exhibited a tendency to look at these capabilities from the larger perspective of strategic collusion between India and the United States.\(^2\) This tendency reflects a mindset that increasingly perceives India as a “near peer competitor”—one acting in concert with the United States—that could in the long run challenge China’s regional and global aspirations for preeminence. This is despite repeated assertions by the Indian leadership that India does not have major security issues with China other than the boundary dispute.\(^3\)

India and China went to war over their 5,045-kilometer (km) undemarcated border in 1962. Today, New Delhi claims China illegally occupies 38,000 square km of its territory, while Beijing periodically asserts ownership over a 90,000-square-km area encompassing the northeastern province of Arunachal Pradesh. Although there has been an upswing in diplomatic, political, economic, and even military ties over the past decade—intensifying from 2004 onward—no resolution to the frontier dispute seems imminent. China’s continuing military modernization and incremental upgrading of its military posture in Tibet to enable rapid force deployment, backed by logistics capability and communications infrastructure, are worrisome to India. So are repeated incursions by the PLA across the Line of Actual Control (LAC), including into settled or undisputed areas like Sikkim in northeastern India. India looks upon these actions as coercive tactics to keep tensions alive and New Delhi on the defensive.

Another source of tension is Kashmir, which is divided between India and Pakistan—a close Chinese military and nuclear ally. A large tract of Kashmiri territory was ceded by Pakistan to China in 1963, the future of which is to be decided upon final settlement of the Kashmir issue between India and Pakistan. China has built a military highway in this territory and is unlikely to vacate the region. In recent years, Beijing has subtly joined the Kashmir dispute, weighing in on Pakistan’s side and causing New Delhi much discomfort.

Thus, the bilateral relationship is largely dictated by each country’s understanding of the other’s strategic vision, capabilities, and areas of influence. Any miscalculation of the other side’s military capability or core interests could degrade ties and lead ultimately to possible conflict. Given this trouble-ridden backdrop, this chapter aims to address two significant and interconnected policy issues: (1) the impact of China’s military modernization on India’s security, and (2) how India is responding to these

\(^2\) The details of Chinese thinking are outlined in He Zude and Fang Wei, “India’s Increasing Troop May Go Nowhere,” *People’s Daily Online*, November 15, 2011.

proliferating security concerns through diplomacy or foreign policy and military modernization, including the development of capabilities in both the continental and maritime domains. In examining the broader Indian response to China’s military modernization, this chapter addresses four topics.

First, it examines the overall nature of India’s modernization efforts, with particular reference to capacity-building, including the development of infrastructure in response to Chinese forays into Tibet and the IOR. In the context of this discussion, the chapter considers how China is leveraging economic and military relationships with India’s neighbors to establish a containment policy toward India.

Second, the chapter examines the perceptions of India’s political elite toward China. Some leaders believe that the burgeoning power differential between the two countries must be addressed through a policy aimed at reducing strategic risks via engagement and economic cooperation. They are thus focused on soft rather than hard power and pursue a middle path of engaging China on a broad spectrum of issues without compromising on India’s core security concerns. Other political elites, however, want New Delhi to develop adequate military response capabilities at both the strategic and tactical levels to dissuade or deter China from adventurism.

Third, the chapter discusses the steps India is taking to enhance its overall military capability, even as it seeks a cooperative and balanced relationship of mutual advantage with China. New Delhi aims to manage military asymmetry with China through a strategy of credible dissuasive deterrence. The efficacy of this strategy and the time frame for building new capacities are also examined.

The fourth and final issue examined is whether India’s concept of strategic autonomy will be sufficient to face the emerging challenges from China. The chapter argues that in dealing with an assertive China, India will be forced into upgrading its conventional and strategic military posture as well as into seeking adequate external balancing. If India’s economy begins to flag, however, the challenge from China will be formidable. The chapter analyzes New Delhi’s options in such a scenario, including further accommodation of China and external balancing through a cooperative strategic framework led by the United States.

Indian Concerns about Chinese Military Modernization

Developments in Tibet

There is growing concern over the massive Chinese infrastructure buildup in the Tibet Autonomous Region (TAR). The Indian defense minister, A.K. Antony, recently informed the Indian Parliament about rapid
developments being undertaken by China in terms of rail, road, airfield, and telecommunications infrastructure. Indian security and military officials are increasingly concerned about these developments, which they view as largely India-centric. This includes capacity augmentation of the Golmud-Lhasa rail line that according to estimates will enable China to mobilize as many as twelve PLA divisions over a four-week period. Similarly, rail links from Lanzhou to Kashi and onto Lhasa facilitate easy switching of reserves and logistics resources between the Chengdu and Lanzhou military regions bordering India. Additionally, Antony also acknowledged that China has developed a 58,000-km road network and constructed five operational airfields at Gongar, Pangta, Linchi, Hoping, and Gar Gunsa. China's massive program to upgrade its airfields, including the development of advance landing grounds, greatly enhances the Chinese air force's overall offensive potential in Tibet and provides substantial strategic airlift capability, allowing for a rapid buildup of forces and shortening the warning period for India.

According to Monika Chansoria at the Centre for Land Warfare Studies in New Delhi, which is sponsored by the Indian Army, China is upgrading its net-centric warfare capability in the TAR. To support its command and control structures, China has installed 58 very small aperture terminal satellite stations and has rapidly spread its fiber-optic communications network. It is also reported to have laid a fiber-optic network in all 55 counties of the TAR, including remote border areas such as Ali and Chamdo. Secure communications and broadband connectivity allow the fielding of battlefield command systems, which further tilts the cyberwarfare balance in the PLA’s favor.

Vagaries of nature and the complexities of high-altitude terrain essentially preclude the rapid and massed application of forces. This to an extent calls into question the PLA’s ability to rapidly deploy regular and special forces in a preemptive offensive in the TAR. To address the issue of rapid, contingency-based force application at high altitudes, the PLA is reportedly constructing hyperbaric chambers to facilitate rapid acclimatization of troops inducted from lower regions. It is also building the first batch of oxygen-enriched

---


5 Kanwal and Chansoria, “China Preparing Tibet.”


7 Chansoria, “China’s Infrastructure Developments in Tibet,” 17.
troop barracks at the TAR’s Nagchu Military Sub-Command at a height of 4,500 meters.\textsuperscript{8}

To fine-tune its force application models, the PLA has increased both the level and the frequency of exercises in Tibet. The scope of these exercises is becoming increasingly sophisticated and showcases Chinese capacities not only in net-centric warfare but in fielding integrated command platforms and providing real-time information and battlefield assessments. For example, in November 2011 the PLA for the first time rehearsed capture of mountain passes in Tibet at heights over five thousand meters with the help of armored vehicles and airborne troops in a live military exercise.\textsuperscript{9} The exercise also involved massed rocket and artillery fire that showcased a vertically launched joint-attack rocket and missile system for precision attacks equipped with terminal guidance sensors. In live firing drills, the PLA Air Force (PLAAF) has been employing multirole, air superiority J-10 fighters in a ground-attack configuration using conventional and laser-guided bombs. These exercises are a critical pointer to the PLAs heightened preparedness along the Indian border, especially as it seeks to prepare for joint and integrated operations incorporating air power and upgraded ground and air-defense forces.

In addition, China is building conventional and strategic missile capabilities in Tibet, basing them on the region’s growing infrastructure. According to defense analyst Vijai K. Nair, China has been upgrading its nuclear and ballistic missiles to target India. Not only has the number of CSS-2 missiles with a 3,100-km strike range employed by the 53rd Army at Jianshui remained unchanged, but the reported deployment of Dong Feng-21 (CSS-5) medium-range ballistic missiles (MRBM) along India’s border further underscores the reality of the Chinese threat.

The proximity of the heavily populated provinces of Uttar Pradesh and Bihar, as well as other eastern states, is a major strategic vulnerability for India. This equation is set to change, however, with India’s successful testing of 3,500-km-range Agni 4 and 5,500-km-range Agni 5 MRBMs, bringing the entire coast of China within range. Yet the strategic power differential between India and China will remain until such time as these and other missile variants, including submarine-launched intermediate-range ballistic missiles (IRBM), are produced in adequate numbers.


**Chinese Forays into the Indian Ocean Region**

The Indian Ocean is emerging as the greatest security challenge for China and an arena where its strategic interests clash with those of India, the United States, and Japan. To deal with this strategic vulnerability, China has introduced the concept of “far sea defense” as the driver for developing its long-range naval capabilities. The PLA Navy (PLAN) defines the “far seas” as stretching from the northwest Pacific Ocean to the eastern Indian Ocean and, more recently, the east coast of Africa.\(^\text{10}\)

The rapidity with which the PLAN is moving toward securing this goal demonstrates its political intent and focus on capability and technology development, including absorption. In a recent in-house simulation exercise on Chinese naval power based on the PLAN’s likely production capacities, it was surmised that by 2025 China will be in a position to deploy at least one carrier battle group in the IOR. This group would be backed by one or two surface action groups and supported by two or three nuclear-powered attack submarines (SSN) and shore-based medium-range missiles, including antiship ballistic missiles covering large swathes of the Bay of Bengal and the Arabian Sea.\(^\text{11}\) To support these deployments, China is readying “lily pads” in the Indian Ocean to facilitate the stationing and berthing of vessels by providing technical support, maintenance, refueling, and associated materiel supplies. These pads will spread from the South China Sea to the East African coastline.

**Chinese Strategy in South Asia**

China is following a three-track balance-of-power strategy in Asia. First, the country is attempting to maximize the power gap between itself and its strong Asian neighbors through focused military modernization and simultaneously leverage its economic and political clout. Second, China is using states such as Iran, Pakistan, the Central Asian republics, and Myanmar, and to a lesser extent Sri Lanka, Bangladesh, and the Maldives, as proxies to gain access to critical oil and gas resources and the Indian Ocean. Last, Beijing is using soft power through multilateral economic and political engagement to enhance its strategic influence across Asia.

---


\(^{11}\) This exercise was carried out by Institute of National Security Studies as part of a project on non-contact war and anti-access strategy to evaluate Chinese options in the Indian Ocean region.
The central objective of this multipronged policy is to ensure a peaceful and stable periphery through economic engagement and infrastructure development. Rail and pipeline links from Myanmar to Yunnan Province and various corridors connecting southern and southwestern China with South and Southeast Asia, including railway lines, are all part of this vast and fast-expanding network. Another level of this multilayered strategy is the resolution of boundary disputes: China has resolved most of its land and maritime boundary disputes in South Asia except those with India and Bhutan. Recently, it amicably demarcated its frontier dispute with Tajikistan, forsaking its territorial claims for bilateral benefit. China has lately made similar overtures to Bhutan, seeking to resolve their long-standing boundary dispute in return for permission to open a consular office in Thimphu, much to the chagrin of India.

China’s attempts at strategic balancing in South Asia by forging military and economic ties with all of India’s neighbors, some of whom have fractious ties with New Delhi, and by expanding its naval power in the IOR have further exacerbated bilateral tensions. Beijing’s deft moves are aimed at effectively isolating India and further narrowing New Delhi’s traditional strategic space. In the case of Pakistan, China is actively engaged in infrastructure development in western Baluchistan Province, Gilgit-Baltistan, and other parts of Pakistan-occupied Kashmir. Major investments are also afoot to develop strategic land bridges connecting the subcontinent to the Chinese mainland through dedicated pipeline and transport corridors to the Indian Ocean.

Further vitiating the atmosphere is the growing anti-India stridency in Beijing, backed by China’s influential media, microblogs, and think tanks. A recent Global Times editorial following the successful test flight of India’s Agni V IRBM warned India not to be “arrogant” considering that China’s nuclear power remained much stronger. The article cautioned New Delhi that it stood “no chance” in an arms race with China and portrayed India as a belligerent nation eager to flaunt its missile capabilities. Similar views are expressed with regard to India’s oil-exploration ventures in the South China Sea off the Vietnamese coast. Such provocations only serve to further exacerbate tensions between the two sides.

---


India’s China Policy

India’s Strategic Focus on China

There is a growing perception within India’s strategic community and policy establishment that New Delhi should not underestimate China’s determination to assert its territorial sovereignty. The defense minister’s 2010 operational directive, which is reviewed every five years and lays down operational priorities for all three services, highlights the growing threat from China in a two-front war scenario that also involves China’s close ally Pakistan. The directive asks the Indian military to prepare for a full-spectrum war that could include WMDs. The recently published foreign and security policy document “Nonalignment 2.0,” authored by leading Indian diplomats, security experts, and military leaders, asserts that Chinese power is impinging directly on India’s geopolitical space. The report acknowledges the widening economic and military power differential and underscores the need to maintain the status quo along the LAC in the north while enlarging and building on India’s current edge in the maritime south. Similar sentiments of India being prepared to deal with an assertive China have been expressed by the Naresh Chandra Task Force set up to review national security architecture.

Indian policymakers are thus adopting a view that China is insensitive to Indian security concerns. Consequently, there is a growing understanding within India’s national security establishment, particularly among the military services, that Indian strategic and military capacity-building must shift incrementally from a Pakistan-centric approach to focus more directly on China.

Until the end of the twentieth century—i.e., over 50 years after independence—India’s doctrinal thinking and military acquisitions had steadfastly maintained a focus on meeting the threat from Pakistan. Since 1947, Pakistan has been to war with India three times (1947, 1965, and 1971) in addition to fighting an eleven-week border skirmish in Kashmir’s mountainous Kargil region in 1999, in which some 1,200 soldiers died.

During this extended period, and despite the devastating psychological and physical impact of the Indo-China War of 1962, China did not loom large on India’s strategic radar. The Indian military essentially focused on maintaining peace and tranquility along the unresolved LAC in Ladakh and Arunachal Pradesh. Through the 1970s and 1980s, the LAC remained largely free of any major incidents, even though relations between the neighbors were frosty for most of this period.

The China threat surfaced briefly in the early 1980s following the PLA incursion into Sumdorong Chu Valley in Arunachal Pradesh, up to seven kilometers into Indian territory. This action resulted in both sides mobilizing but fortunately did not erupt into conflict. Nevertheless, then prime minister Indira Gandhi ordered a serious review of India’s overall defensive posture with regard to China so as to prevent future PLA intrusions. Road communications infrastructure along the LAC was purposely kept in an underdeveloped state as part of a “scorched earth” policy to prevent the rapid intrusion of the PLA into the plains of Assam in the northeast, much like in 1962. This policy forced India to fortify its strong military presence right up to the LAC because the terrain, weather, and infrastructure prevented any large-scale Indian buildup during the warning periods.

At the same time, in the Operation Chequerboard exercise, then army chief General K. Sundarji ordered the mobilization of nearly ten mountain divisions along with the Indian Air Force. Three of the divisions were deployed in Arunachal Pradesh’s crucial Wangdung area close to the border in order to test India’s defensive posture against a Chinese ingression. Soon after these maneuvers, a conscious decision was made to adopt what is now called the forward posture, which entails moving forward and occupying positions on the LAC to prepare for any surprise Chinese attack. This policy led to new defense works being undertaken, in addition to the redeployment of combat support elements and activation of several abandoned forward advanced landing grounds. While all these developments did for a short time induce tension between New Delhi and Beijing, they were soon overshadowed by other events on both sides of the border, including Operation Brass Tacks during November 1986–March 1987 (a major India-Pakistan military stand-off), Rajiv Gandhi’s visit to China in December 1988 (the first by an Indian prime minister in 34 years), and the Tiananmen Square incident in 1989.

These developments collectively had two important consequences. First, the boundary issue once again gained salience, resulting in the establishment of a joint working group in 1989 to delineate the LAC. Following Prime


21 Ibid., 110.
Minister A.B. Vajpayee’s visit to China in June 2003, this working group was upgraded to the level of special representatives at India’s suggestion in order to provide a political mechanism for resolving the vexing boundary dispute. Second, the above developments once again focused India’s attention on how neglected its northern and eastern regions were in terms of operational preparedness and infrastructure to support military deployment.

India’s May 1998 nuclear tests were conducted in response to the existential threat posed by China’s atomic arsenal. The tests soured bilateral relations between New Delhi and Beijing, which deteriorated even further after then Indian defense minister George Fernandes called China potentially “India’s number one enemy.”

Despite this free fall in Sino-Indian relations, the operational focus once again swung back to Pakistan after the 1999 Kargil border skirmish. This was followed by a ten-month mobilization against Pakistan beginning in December 2001 after a terrorist strike on the Indian Parliament and Pakistan’s unabated proxy war in Jammu and Kashmir (J&K). These developments forced Indian security planners to review their options for responding to Pakistan and all but relegated the China threat to the back burner.

**India’s Dual Approach to China**

Despite the looming Chinese threat, there is no consensus within India’s policy discourse on how to meet it. There is, however, a growing realization that given the prevailing power differential it is imperative to engage China, lower tensions, and build a win-win transactional relationship that underscores cooperation and downplays competition. A senior Indian policymaker put it succinctly when he declared the following:

India is absolutely committed to a pragmatic approach in dealing with sensitive bilateral issues. India does not want any fights with China. We want to develop a relationship further and faster, but we want to assure that our pride is not hurt in the process because China has risen and India is, still, rising.

The unequal pace of development should not cast a shadow on the spirit of mutual equality and respect. Instead, the senior government official argues

---

22 For the text of Prime Minister Vajpayee’s letter to President Clinton explaining the rationale for the tests, see “Nuclear Anxiety; Indian’s Letter to Clinton On the Nuclear Testing,” *New York Times*, May 13, 1998.


that both India and China will need to find ways to preserve mutual pride while moving ahead with development and growth.  

India, therefore, wants to ensure that there is less stress or conflict with China, despite also wanting to display publicly that it can stand up for its convictions regardless of the grossly unequal economic trajectory. This policy approach strives to achieve the right balance of pragmatism and nationalism in pushing Sino-Indian relations forward. A similar sentiment has been expressed by Prime Minister Manmohan Singh, who recently told the Lok Sabha (the Indian parliament’s lower house) that, despite prevailing problems with China, there is peace along the border. He also categorically rejected the view that Beijing is preparing to attack India. India and China, Singh said, share “very sensitive relations.”

There is also a perception among the optimistic lobby, though one that is not openly articulated, that India needs to hedge its bets against China through strategic partnerships with the United States and other major actors in Asia, notably Japan, South Korea, and important Association of Southeast Asian Nations (ASEAN) members, such as Vietnam and Indonesia. This rationale helped convince the Congress Party–led United Progressive Alliance (UPA) to jettison the Communist parties and sign both the Indo-U.S. nuclear deal and Indo-U.S. defense framework agreement. These actions sent a message to Beijing regarding India’s strategic options and leverage, highlighting that while India will continue to strive for a mutually equitable partnership with China, it will not accept Chinese coercion or attempts to shape regional discourse at India’s expense.

There is also an articulate “pragmatist” lobby in India’s establishment, largely comprising the military and a handful of personnel within the national security establishment and intelligence services. This group argues that China is consciously aiming to alter South Asia’s strategic environment in its favor through military activism in Tibet and across India’s neighborhood and by overt strengthening of Pakistan’s military and nuclear capabilities. In their perception, China wants to deal only with tributaries and not with peers.

What has alarmed India’s Ministry of Defence and military is that even after years of tortuous boundary negotiations nothing tangible has been

---

25 “‘Handle China Like a Test Match.’”

26 Ibid.


achieved. An even greater concern is that the proposal to settle the boundary dispute by simply swapping territory that is already under the de facto control of each side—with India to be accorded control of Arunachal Pradesh and China to be granted Aksai Chin opposite the Ladakh sector—has been hijacked by broader strategic considerations.\textsuperscript{30} For China, Tibet has emerged as an issue of renewed sensitivity following recent ethnic riots and activism. The Dalai Lama’s poor health has also stoked fears over the emergence of more radical Tibetan leaders less conciliatory toward Beijing.\textsuperscript{31}

Possible Causes of Tensions

The manner in which the India-China matrix plays out over the next few decades will be dictated by perceptions of relative power and the policies each side is pursuing alongside wider political and security developments. Given that both countries at this juncture are involved in the arduous task of nation-building and addressing economic, socioeconomic, and security challenges, they can be expected to remain cooperatively engaged in the short term in pursuing peaceful ties while managing their respective military modernizations. The broader question, however, is under what circumstances could India-China relations become competitive or even confrontational.

China is not a status quo power and will doubtlessly react politically and militarily should it feel threatened by inimical strategic shifts across Asia, such as India’s economic and military rise and changing relations with the United States, Japan, and Southeast Asian countries. India, on the other hand, is an equally proud civilizational power with an umbilical attachment to Tibet, besides being home to the Dalai Lama and some 150,000–200,000 Tibetan exiles. Therefore, it will not be easy for India to fully concur with China’s claims to sovereignty over Tibet, even though New Delhi has politically accepted Tibet as Chinese territory.

The geographical importance of Tibet to both countries renders it more than possible that the undercurrents of hostility over the area will prevail at least in the short to medium term. Tensions between the two sides could be aggravated by Chinese intrusions and aggression, such as pushing for new claim lines or asserting old claims with greater stridency. Tensions would also likely rise above currents levels if China were to enhance its activities


\textsuperscript{31} Such groups include the Tibetan Youth Congress, the Tibetan Uprising Organization, the National Democratic Party of Tibet, and Students for a Free Tibet.
in Pakistan-occupied Kashmir, upgrade military and nuclear relations with Pakistan, or attempt to make Nepal a third pressure point against India by building wider road and rail infrastructure and providing materiel military assistance. An imminent cause for tension could be events following the death of the Dalai Lama and attempts by Beijing to replace him with its own nominee, which would elicit protests from Tibetan émigrés in India and across the world.

Yet another possible trigger for conflict, and one not fully appreciated by the Indian strategic community, would be a stand-off in the Bay of Bengal caused by China’s attempts to secure its growing assets in Myanmar—namely oil and gas pipelines running from the deepwater port of Kyaukpyu on Ramree Island—through naval deployments. Under such circumstances, China’s principal aim would be to gain a strategic or at the very least tactical advantage commensurate with its political interests by “teaching India a lesson” or, worse, capturing territory in disputed areas. Such an option remains on the table, despite the winds of change in Myanmar and upbeat India-Myanmar relations. China retains the potential to coerce Myanmar’s regime, which is still dominated by the military.

The Nature of Conflict

There are potentially four theaters for conflict: Ladakh in northern India, the central theater in Uttar Pradesh Province, Sikkim, and finally along the McMahon Line in India’s northeast. The latter was agreed to by the British colonial administration and Tibet in 1914 as the boundary between China and India but later rejected outright by the Communist Chinese government. An all-out conflict, although possible, appears highly improbable because it could spiral into nuclear war and would upset the prevailing harmonious development model adopted by both sides. Hence, it is more likely that military conflict between the two states would be marked by a calibrated use of force and careful management of escalation.

Degeneration of Indian-Chinese friction into a conflict would be an incremental process that would pass through various stages of escalation, which will be discussed below. Indian analysts have also considered a scenario in which China resorts to hostilities under the garb of training exercises, an old and tried method. The use of force and the nature of escalation would be driven largely by relative conventional and strategic balance, the perception of a “quick victory,” and the political and military payoffs. A large perceived asymmetry in the military balance could embolden China to act unilaterally

---

in the hope of forcing India to accede to Beijing’s terms on the boundary issue or sending New Delhi a broader strategic message about Chinese regional military preeminence. Nonetheless, the threat of nuclear war and the likelihood of disruptions to the global order are perceived as restraining factors on China.

Coercive muscle-flexing or intimidation. In one scenario, China could use force posturing or a calibrated display of force to induce Indian compliance through coercive muscle-flexing, without resorting to the application of major force. Chinese intimidation could take one or more of the following forms:

- Targeted cyberattacks against India’s command and control facilities and commercial entities
- Partial PLA mobilization to change the balance in the disputed areas, backed by the PLAAF and missile deployment
- Aggressive patrolling (both on land and at sea) and encroachments in selected areas as a show of strength
- Increased support to the numerous insurgencies in India’s northeast and to Pakistan in J&K, backed by overt military operations
- Support to Indian Maoist insurgents through proxies to foment unrest in the border regions
- Increased PLAN presence in the IOR, Bay of Bengal, and Arabian Sea as part of an intimidation strategy
- The degrading of India’s satellite-based communications systems, including through a show of force by testing an improved version of its anti-satellite weaponry
- Attacks on preselected, politically sensitive economic and military targets to coerce India’s political leadership and convey the price of any reactive escalation

Intermediate-level conflict: A limited war of high intensity. China could launch a limited war confined to a specific area of interest that is bounded in duration and amenable to a negotiated termination. Alternatively, the PLA could take over selected places such as Tawang to drive a partial victor’s bargain. Resorting to either of these two actions has the potential of escalating a limited conflict into a broader one encompassing both the northeastern region and Ladakh, and possibly drawing in Bhutan and Nepal as well. For Beijing, this could be a stand-alone tactic driven by larger political and strategic considerations or an extension of coercive muscle-flexing. However, a high-intensity limited war under “informationized” conditions
remains China’s basic military doctrine and its decision to escalate will be a calculated one.

China could also initiate hostilities in the belief that it could successfully fight a short punitive campaign. The PLA could attempt to rapidly and clandestinely change the force balance in the border areas to catch India off guard. Such an option would largely be driven by India’s sketchy ISR (intelligence, surveillance, and reconnaissance) cover over Tibet and its force mobilization and firepower disadvantages along the LAC. This could take the form of a punitive Cold Start–type operational model to teach India a lesson.

India Responds to the Chinese Challenge

India faces a unique security scenario involving two nuclear-armed neighbors with whom it has not only been to war but who together pose a collusive threat that forces India to prepare for a two-front war. Such preparation is easier said than done, given that two-front wars essentially entail maintaining twin sets of forces. This creates an economic challenge because the cost of conventional deterrence is largely unaffordable for a developing country such as India that depends largely on imported weapon systems. To highlight the wide gap in military spending, Figure 1 shows the comparative differences in the Indian and Chinese defense budgets.

This perspective has forced India’s national security establishment and successive administrations to politically and diplomatically respond to the threat posed by China and Pakistan. Nuclear weapons factored into the policy discourse of mutually assured destruction also help keep the conventional threat within manageable limits. Yet it is not possible for India to ignore that the challenge from China has the potential to escalate to threatening levels if not managed adequately.

During the 2004 Combined Commanders Conference, the issue of augmenting India’s defensive capability against China was seriously discussed with the prime minister in response to the mounting military challenge in Tibet, increased PLA incursions across the LAC, and growing Chinese belligerence. The conference stressed the need to initiate early steps to upgrade India’s military profile and capability and set the target date of 2010 for India to adequately prepare to meet the Chinese challenge. The underlying

---

33 Pandit, “Army Reworks War Doctrine.”
message was that the military asymmetry could become too pronounced to be manageable if this deadline were not met.\textsuperscript{34}

The seriousness of the situation was once again highlighted recently when India’s normally reticent defense minister, A.K. Antony, demanded an increase from parliament in the country’s defense budget for FY 2012–13 of 1,934.08 billion rupees ($38.68 billion). Antony told parliament on May 7, 2012, that the “growing proximity of China and Pakistan is a cause of worry….The defense budget has to be enhanced to deal with these new emerging challenges.”\textsuperscript{35} He reiterated his fears over India being confronted with a two-front war with its nuclear-armed neighbors. Antony added that if China can increase its strength in Tibet, India can do the same in its frontier areas of Sikkim and nearby Arunachal Pradesh.\textsuperscript{36}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{defense_budgets.png}
\caption{Defense budgets of China and India, 2002–11}
\end{figure}


\begin{flushleft}
\textsuperscript{34} Author’s interview with the former Indian chief of army staff, General N.C. Vij, at Vivekananda Foundation International, New Delhi, May 18, 2012.


\end{flushleft}
Opportunely, this period of military consolidation with regard to China came at a time when the threat posed by Pakistan was easing. India’s new preemptive doctrine reassured its military planners that any conventional challenge from Pakistan could be effectively managed. India had also largely controlled the Islamist insurgency in J&K, bringing it down to manageable levels, and the only overriding concern was that a major terrorist attack similar to the November 2008 siege of Mumbai would force New Delhi to respond militarily, leading in all probability to a nuclear stand-off. Developments in the Afghanistan-Pakistan imbroglio, where Pakistan’s military was for the first time embroiled in counterinsurgency operations in the tribal regions across the border, also provided India with breathing space to augment its military capability to counter China.

A three-tier strategy is presently being planned based on India’s overall operational philosophy predicated on a credible dissuasive defensive posture. It encompasses a quid pro quo strategy by which any intrusion into Indian territory would be answered with similar, limited offensive operations in preselected areas. Developing such a capability will require intra-theater force rationalization to create a quick response capability and include redeployment of forces presently deployed against Pakistan to the Chinese border. To execute this strategy, the infrastructure to perpetuate rapid mobility is being created.

The capacity to interdict Chinese operational and logistic infrastructure in Tibet is the key to India’s operational plans. In 2009 the Indian Army undertook a major transformational study that focused on growing concerns regarding the PLA’s military modernization, particularly with respect to the networking of its command and control systems, its ability to field effective and near real-time command, control, communications, computers, intelligence, surveillance, and reconnaissance (C4ISR), and growing cyberwarfare capabilities. The study revealed the following critical weaknesses: unfavorable combat ratios against China, constraints in the overall capability of Indian forces to meet two-front scenarios, poor logistics infrastructure that would prevent mobilization and redeployment of additional forces within acceptable time frames, and important technological gaps in ground-, air-, and space-based systems, particularly ISR and cyberwarfare capabilities.

Building Capacities and Capabilities

To address these imbalances, the first phase of India’s strategy has been to close the wide gap in the two countries’ prevailing defensive postures.

37 The author’s understanding is based on formal and informal interactions with Indian military officers during lecture tours to various institutions.
Under the Indian Army’s eleventh five-year defense plan (2006–11), two mountain divisions and an artillery brigade totaling 1,260 officers and nearly 35,011 soldiers were raised. Importantly, these increases are in addition to the army’s sanctioned manpower of 1.2 million personnel and are intended for exclusive employment along India’s eastern border with China. The new formations are to be equipped with ultra-light, easily transportable M777 155-mm, 39-caliber howitzers from BAE Systems. The Indian Ministry of Defence has recently cleared the acquisition of 145 howitzers via U.S. foreign military sales, with the possible addition of 300–400 at a later stage under licensed production.

Defensive formations in the eastern theater and in Ladakh are being provided with built-in rapid-reaction capabilities, including helicopter-lift capacity, aimed at facilitating a quick response to local contingencies by acquiring attack and heavy-lift helicopters, the procurement of which is in an advanced stage of negotiation. New medium- and heavy-transport aircraft using renovated airfields along the border will also sustain these formations.

Second, to provide an independent limited offensive capability, permission has been accorded in the army’s recently approved twelfth five-year defense plan (2012–17) to raise a mountain-strike corps comprising two light mountain divisions and an artillery division armed with lightweight howitzers and BrahMos, a cruise missile having a 292-km range that India developed jointly with Russia.

The earlier so-called scorched-earth policy of leaving the border regions underdeveloped has been revised because it seriously handicapped the military’s mobilization and tactical movements in Arunachal and Ladakh and left troops exclusively dependent on air drops and mule trains. In all likelihood, by 2016–17, ongoing infrastructure projects—including 6,000 km of border roads, bridges, and helipads built for an estimated 92.43 billion rupees under the Special Accelerated Road Development Programme for North East (SARDP-NE)—will be completed. Additionally, some fourteen rail lines feeding into this network are planned by 2021 at a cost


39 The Indian Ministry of Defence has cleared the long-pending deal worth 30 billion rupees ($560 million) for the acquisition of 145 M777 ultra-light howitzer guns from BAE Systems to accelerate the Indian Army’s modernization process. The deal was cleared by the Defence Acquisition Council, following a favorable report submitted by the head of the Defence Research and Development Organization (DRDO) committee that studied the suitability of the weapon system. See “Indian Army to Acquire M777 Howitzers from BAE,” Army-Technology.com, May 14, 2012, http://www.army-technology.com/news/newsindian-army-to-acquire-m777-howitzers-from-bae.

of 261.55 billion rupees ($5.12 billion). This infrastructure upgrade would facilitate the deployment of long-range assets such as the Smerch multi-barrel rocket launcher (MBRL) system with a 90-km range and the indigenously produced Pinaka MBRL system with a range of 40–45 km. These systems would provide the capability to neutralize China’s forward deployments. Infrastructural development would also facilitate improved logistics.

To further enhance the Indian Army’s preparedness in the eastern sector, the government has approved the induction of the BrahMos Block III steep-dive variant, raising the number of cruise-missile regiments deployed along the Chinese border to four.41 Also proposed is the induction of Prahar, the short-range battlefield missile with a 150-km range.42 This missile is part of the Indian Army’s quest to acquire precision-guided munitions to augment its long-range lateral fire support.

To enhance its ISR capabilities, India has embarked on developing an indigenous satellite-based global-positioning capability called the GPS-Aided Geo-Augmented Navigation (GAGAN) system. The experience gained in creating GAGAN will in turn be harnessed to build an autonomous regional navigation system called the Indian Regional Navigational Satellite System (IRNSS). These collaborative technologies will provide India’s military high positional accuracy for its weapon systems. To further increase its ISR capacity, the army is also inducting three additional troops of Heron unmanned aerial vehicles (UAV) apart from the satellite-based information systems. Similarly, to ensure a high degree of communication security and connectivity, the military is planning a dedicated satellite-based defense network for the armed forces. Tactical air-defense cover is also being improved with the induction of newly acquired Israeli low-level quick-reaction missiles to replace existing outdated systems.

Air Force Modernization

The Indian Air Force (IAF) is upgrading its assets at a rapid pace and is expected to operate 42 combat squadrons by 2022 (up from 32) by acquiring varied platforms, such as SU-30MKI multirole fighters; importing medium multirole combat aircraft (MMRCA); and inducting locally designed light-combat aircraft alongside mid-air refuelers. By 2020, the IAF plans to induct a fifth-generation fighter aircraft developed jointly with Russia. Such


acquisitions will transform the IAF into a long-range strike force that is capable of addressing out-of-area contingencies.\(^{43}\)

A large part of the IAF’s modernization plans is China-centric and includes revamping advance landing grounds in Ladakh and the eastern sector to support SU-30MKIs and the under-acquisition MMRCA. The IAF has already deployed SU-30MKIs at Tezpur and Chabua in the east to provide greater depth and radius of action to meet the challenges posed by the PLAAF operating from Tibet and the nearby Chengdu Military Region.

Tezpur’s runway has been renovated and its infrastructure upgraded to house the “air dominant” SU-30MKIs capable of striking targets deep inside China. Their radius of operation can be further enhanced to around 5,000–8,000 km with air-to-air refueling by the IAF’s recently acquired IL-78 tankers. Conversely, the PLAAF has established at least four airbases in Tibet and three in southern China that could mount operations against India. But since these bases are located at average heights of around 10,000 feet, the weapon-carrying capacity of PLAAF fighters is restricted, a handicap that the IAF does not face in operating from Tezpur and Chabua. By 2020, however, the PLAAF’s profile will begin changing when it fields larger numbers of third- and fourth-generation fighters, as well as some fifth-generation fighters. In comparison, the IAF’s air power assets will suffer from increasing obsolescence and a slow rate of replacement.

In addition, China’s air-defense capability is likely to improve and over time could shift the advantage in the PLAAF’s favor. Fielding a real-time battle management system could provide China with a deep-strike capability that would force the IAF to defend in depth. However, the IAF is also developing a layered, hardened, and in-depth air-defense command, control, and communications network, called the Integrated Air Command, Control, and Communications System (IACCCS). The IACCCS is being established through a two-phase program costing approximately $3 billion, with phase one scheduled to be completed by the end of 2012. The complete system is being designed as the following:

\[\text{a robust, survivable network-centric C4ISR infrastructure that will receive direct real-time feeds from existing space-based overhead reconnaissance satellites, ground-based and aerostat-mounted ballistic missile early-warning radars and high-altitude-long-endurance unmanned aerial vehicles, and manned airborne}\]

early warning & control (AEW&C) platforms. The IACCCS will also coordinate the early-warning and response aspects of a layered, ground-based, two-tier ballistic missile defence (BMD) network that is now at an advanced stage of development.44

**Maritime Perspective**

Operationally and doctrinally, the Indian Navy (IN) is perhaps the fastest evolving of the country’s three services, despite being the smallest and for years the most financially deprived. Three primary considerations shape this evolution: dominating the IOR, exploiting the full potential of India’s exclusive economic zone, and creating robust infrastructure at offshore island chains such as the Andaman and Nicobar archipelago, as well as the need to develop amphibious capabilities. The IN is clearly concerned with the PLAN’s expansion into what India considers its own geopolitical space.45

Structurally, the Indian Navy’s current and planned assets by 2025 could consist of 162 imported and locally designed network-centric platforms, including two aircraft carriers and both conventional and nuclear-powered submarines (SSN and SSBN) backed by cruise missiles and smart mines. Defense Minister Antony recently told parliament that the IN would annually induct five new warships, beginning in 2012. The platforms that the navy is acquiring will considerably expand its maritime domain awareness and reach and will provide limited capability for expeditionary and intervention operations.

The recently inducted INS Chakra, which is the Russian Project 971 (Akula-I) SSN that the IN has leased for ten years, together with induction of the INS Arihant, the first of four locally developed SSBNs, by 2013–14 will provide the IN with fledgling tactical deterrence against the PLAN’s three SSBNs and seven SSNs. More importantly, these submarines will complete India’s development of retaliatory, strategic deterrence based on a mix of nuclear weapons that are deliverable by air, mobile land-based platforms, and sea-based assets.

Shore-based naval fighters, such as Russian Mig-29Ks, supported by at least twelve Boeing P-8 maritime reconnaissance aircraft (MRA) and additional medium-range MRAs, will form part of the IN’s maritime domain awareness envelope and provide anti-access/area-denial (A2/AD) capabilities. Additionally, India’s island territories provide strategic vantage points along key waterways and chokepoints that could be exploited for A2/AD ends.

---


The tri-service command located on the Andaman and Nicobar archipelago of some seven hundred islands, located midway between the Bay of Bengal and the Malacca Strait and astride major sea lanes linking the Indian and Pacific oceans, likewise provides an ideal launch pad for India to implement an A2/AD strategy.\(^{46}\)

The IN gains further tactical traction from geography that permits the IAF’s ground-based strike and surveillance systems to operate seamlessly in tandem with fleet operations. Thus, any opponent attempting to invade India’s littoral waters would have to contend with both naval and air power. The IAF also has assets based on the Andaman and Nicobar island chain and over the years has developed all-weather airstrips to support its multirole Su-30MKI combat aircraft.

In addition to conventional deterrence measures, India in a calibrated manner is ratcheting up its strategic deterrence through the successful launch of a 3,500-km Agni 4 IRBM and the much-publicized 5,000-km Agni 5, whose range has been carefully calibrated to reach targets anywhere except for the United States and Australia. Purely from a capabilities perspective, this IRBM provides India with the capacity to target most of the Chinese heartland in response to the Chinese MRBM threat to the populated heartland of central Indian states.

India is developing such capabilities in order to deter China from taking any preemptive steps toward armed conflict. For this strategy to be successful, however, India must acquire capabilities in an acceptable time frame and at an affordable cost. The issue gains salience against the backdrop of a poor defense industrial base, which has forced India to import systems from abroad. This process is both time consuming and leaves India operationally vulnerable. The much-vaunted “transfer of technology,” either as direct transfers or part of offsets, has not worked well for India. The route to public-private partnership has also been slow to develop, being constrained by scales of equity participation and a limited indigenous vendor base. If India and the United States choose to upgrade their strategic partnership, this is one area that will need to be given serious consideration and will require establishing acceptable terms for technology transfer and joint development.

In addition to capability-building, the IN has embarked on trust- and relationship-building among the IOR littoral states and taken a number of initiatives including exercises such as Milan (“togetherness”) and the Malabar maneuvers with the U.S. Navy and the navies of Japan and Singapore, among others. The importance of these initiatives is to reassure friends and allies about the IN’s ability to play a role in regional balancing, something which the

---

navy demonstrated clearly during the 2004 tsunami. However, developments in the South China Sea and the growing capabilities of the PLAN have highlighted the need to build a much wider maritime security initiative. “Rimland security” is one concept that would unite all Asian littorals in a common architecture for securing commerce, trade, and resources in the sea lanes of the Indian and Pacific oceans.

The rimland security initiative was originally conceived at a Track II trilateral dialogue between India, Japan, and Taiwan in 2006. The initiative aims to foster maritime cooperation among the Asian littorals, focusing on freedom of the seas, nontraditional security threats, and peaceful resolution of bilateral and multilateral disputes. The idea found traction during subsequent Track II meetings wherein the dialogue process was enlarged to include representatives of Singapore and Australia. In recent studies undertaken by the author on regional dynamics of the Asia-Pacific, the concept has been recommended for consideration as a wider regional maritime security initiative. The Track I trilateral dialogue recently held in Washington between India, the United States, and Japan, which focused on maritime cooperation, provided further impetus for rimland security.47

External Balancing: India’s Options

The capabilities and capacities outlined above are either already under development or part of projections from the Indian military to upgrade its overall posture to deal with threats from China and Pakistan. These capacities are likely to bear fruit over the next fifteen years as part of India’s long-term integrated perspective plan that runs from 2012 to 2027. Given India’s inability to develop a credible defense industrial base, equipment gains will largely be met through acquisitions, direct imports, or transfers of technology. While a number of projects are already in the pipeline to address the challenges India faces, New Delhi will need to take a number of steps in a timely manner to ensure that asymmetry with China remains manageable:

- Improve acquisition procedures, including norms of technology transfer
- Create an indigenous industrial base through credible and workable public-private partnership models

---

• Create norms and standards for the contribution of “make India” procurement procedures to aid foreign collaboration and support overall efforts to build defense infrastructure

• Address the shortage of both indigenous capacity and technical manpower that prevents India from becoming a technology hub

• Revamp India’s defense industrial base through the task force on defense modernization established by the country’s National Security Council

• Fast-track domain awareness and C4ISR capabilities and create separate military space infrastructure

• Improve infrastructure development in the border areas to ensure both operational and strategic mobility

These tasks are indicators of efficient and timely capability development based on blueprints that are very much in place. The next fifteen years will be a period of strategic vulnerability, which New Delhi will need to manage deftly through diplomacy and political foresight. Any delays on account of political inertia could expose India to coercion from China, given that by the end of this period the PLA is likely to have emerged as a high-tech, network-centric, and regionally predominant military power.

Setting aside for the moment specific issues such as the border dispute, trade, and energy, future Sino-Indian relations—from a macro-level perspective—will likely be characterized by an aggressive competition between the two states for strategic influence across Asia. Whereas the contours of this struggle may not be entirely clear today, restrained by India’s limited strategic perspective that is essentially driven by its “look east” policy, over the next few decades the shape of the rivalry could become increasingly sharp and focused.

As already highlighted, China’s growing influence has spread far beyond its immediate periphery into the Indian Ocean, Central Asia, West Asia, Africa, and even Latin America. Its activities across Eurasia, particularly in South Asia, suggest that China’s definition of its strategic neighborhood is increasingly overlapping with India’s. On the other hand, China’s self-defined area of strategic interest includes Japan, the Korean Peninsula, Taiwan, Southeast Asia, Iran, the Arab Gulf states, and Central Asia. In this overlap between the two countries’ areas of interest, several pivotal states and regions are likely to become arenas of future competition.

The question is how China will react to India’s strategic assertion through its look east policy and developing bilateral and multilateral relations with major actors in the Asia-Pacific. China increasingly sees Indian initiatives, both in regional forums and in the South China Sea, as attempts to carve
out a military and security role in concert with the United States, Japan, and Vietnam as part of a U.S. strategy of containing China. Some Chinese observers have viewed India’s look east policy toward ASEAN as having maritime implications. They believe that in the second stage of the policy New Delhi will expand its scope into the political and security realms in order to bring cooperation on counterterrorism and maritime security, among other issues, under India’s grand strategy. These observers believe that this strategy is aimed at controlling the Indian Ocean, particularly the Malacca Strait.48

The United States, for its part, increasingly sees India as an alternative to Chinese hegemony in the region. While countries such as Australia, Japan, and the smaller Southeast Asian countries are also relevant to the United States’ Asia-Pacific strategy, India—as a nuclear power and with a growing economy that is destined to leapfrog in the next two decades or so as an important regional power—currently tops the U.S. priority list. Despite some hiccups, the Indo-U.S. relationship has improved in every respect: economically, militarily, strategically, and so on.

The importance of the bilateral relationship was underscored during the recent visit of U.S. defense secretary Leon Panetta to New Delhi and in the following Indo-U.S. strategic dialogue, at which the United States outlined its vision for bilateral defense cooperation. Commenting on the U.S. rebalancing strategy toward Asia, Secretary Panetta explained that the U.S. military will look to expand its partnerships and presence in the arc extending from the western Pacific to East Asia and into the IOR and South Asia. By 2020, Washington plans to redeploy the bulk of its naval forces, including as many as six aircraft carriers, within this area. Other issues outlined during the visit included the shared challenges of ensuring open access to the maritime, air, space, and cyberspace domains, as well as the challenges posed by radical ideologies, piracy, and the proliferation of WMDs.49

The fundamental thrust of the secretary’s discourse was that in addition to an upgraded military presence in the Asia-Pacific, the United States is keen to encourage and assist regional states in developing capabilities to deal with these challenges. He described India—being the biggest and most dynamic country in South Asia—as the linchpin of this U.S. strategy. In order to achieve these objectives, Secretary Panetta committed to upgrading the current level of bilateral defense cooperation in the field of arms sales and technology transfers from a “buyer and seller” arrangement to a more substantial one.


49 Leon E. Panetta, “Partners in the 21st Century” (address delivered at Institute for Defence Studies and Analyses, New Delhi, June 6, 2012).
The United States would share important, cutting-edge technologies and enter into a substantial coproduction relationship that would eventually expand to include joint high-tech research and development. It is apparent that the United States is keen to draw India into a much stronger strategic partnership and provide technologies and equipment that would enhance India’s overall defense capacities and preparedness, apart from enhanced intelligence-sharing and cooperation in the space and cyber domains.

Yet these U.S. overtures, significant as they are, put India in a difficult position. There is no doubt that India needs U.S. technological and military hardware support for building both its military capacity and its own military industrial complex. Nonetheless, New Delhi must consider the larger geostrategic calculation of such an embrace. Within India there are two schools of thought on the future course of the Indo-U.S. bilateral relationship. There are those within the policy establishment and among policy elites who believe that, in the prevailing geostrategic environment, building a strong political-military relationship with the United States is imperative. This group largely comprises senior policymakers from both the civilian and military bureaucracies. In this view, growing engagement with the United States in diverse domains is to India’s advantage. Proponents of this view argue that there is already growing strategic congruence between the two countries on a host of issues, including freedom of the seas, China’s rise, Beijing’s growing assertiveness, Chinese claims in the South China Sea, and Afghanistan-Pakistan relations. They also see defense cooperation as an opportunity to close the technology gap with China, particularly in critical areas such as C4ISR, space, IT, and cyber domains. On this view, India needs to leverage its relationship with the United States to its geopolitical advantage, with a caveat that building up the relationship must be premised on shared values and interests without compromising core national interests.

There are others groups, however, who remain skeptical of U.S. intentions and warn that India could become a pawn in the United States’ China containment strategy. These observers look on U.S. attempts to enlist India in Washington’s new rebalancing strategy as essentially driven by self-interest. In their view, open endorsement of U.S. strategy would harm India’s relations with China. This school of thought, while endorsing a strong bilateral relationship, would like India to follow an independent course of strategic autonomy. The thinking within this circle is that the balancing factors that existed before are no longer available, with Russia, the European Union, and the United States losing prominence in the world economy. The close U.S. economic relationship with China, exemplified by the proposed group of
two (G-2), continues to provoke these skeptics. They opine that to expect the United States, or another third party, to defend India is misguided. Instead, this group is keen to charter a course driven by self-interest and build a bilateral relationship with the United States on the broader congruence of interests and shared values, without fully acquiescing to U.S. perceptions and regional policy.

Given the foregoing differences in perceptions of the two schools of thought, India is unlikely to fully endorse the U.S. rebalancing strategy because of its probable impact on the balance of power in Asia. In his bilateral discussion with the U.S. defense secretary, the Indian defense minister cautioned his counterpart against hastening efforts to strengthen the multilateral security architecture in the Asia-Pacific, suggesting instead that the process be allowed to develop at its own pace.

India can thus be expected to adopt a cautious and calculated policy posture. The nature of Indo-U.S. bilateral ties will be marked by an incremental buildup of trust as the relationship slowly transcends what can be termed “cooperative aloofness.” India’s actions and level of engagement will be dictated by how policy elites perceive their country’s role in the region and its impact on India’s overall China policy. The basic dilemma for India within the emerging order in Asia is how to promote its own interests in the face of the preeminence of Chinese power and growing U.S. regional engagement. Will India, as a swing state, attempt to balance Chinese assertions with those of the United States, while continuing to engage with both countries? Will India bandwagon with Southeast and East Asian states, such as Japan and South Korea, to balance Chinese power? There are several different paths that New Delhi could follow over the next few decades that will shape its policy options.

First, India’s geopolitical, energy, economic, and maritime interests could force it into a security understanding with U.S. allies and partners such as Vietnam, Japan, South Korea, and Australia. There would be a marked enhancement in the self-reliance of India’s capabilities, which could be boosted by U.S. technology transfers and military hardware support. The Indian military would develop a strong maritime capability and nuclear triad that would be backed by significant space and cyber capacities with a large C4ISR footprint over its region of strategic interest. The Andaman and Nicobar islands would become a strong “iron choke” to counter the Chinese

---

50 “‘Handle China Like a Test Match.’”

string of pearls. India could also put into place an effective A2/AD strategy in the Indian Ocean and along its land borders.

Second, India could play the role of a swing state and attempt to balance Chinese assertiveness and U.S. interests. Toward this end, India would boost its economic relationship with China while simultaneously developing close political and economic linkages with the United States, though without any overt security understanding. Some commentators are already highlighting that India is in the unique position of being wooed by both the United States and China. In this scenario, New Delhi would foster its regional economic interests and boost trade and economic relationships with ASEAN, Japan, the Republic of Korea, and Australia, among others. It could buttress these initiatives through forging close strategic relationships with Russia and Central Asian states, while also taking effective steps to improve bilateral relations in South Asia, including with Pakistan. India could use this period to build its comprehensive national power while ensuring economic progress.

A third path is sustained economic development and military modernization to build a credible dissuasive capability. To buy time and foster regional peace and stability, India would need to reach a political and economic understanding with Beijing through conciliatory measures on issues such as the South China Sea, membership in the Shanghai Cooperation Organisation, and joint development projects in South and Southeast Asia. Such actions would help initiate a dialogue to address Chinese fears in the IOR. In short, on this third path, India would attempt to build a peaceful periphery without being a so-called swing state or falling into a China containment trap.

Conclusion

China’s military modernization, persistent adversarial stances, and increasing forays along India’s borders and in the Indian Ocean are not only matters for deep concern but pose serious political and military challenges. India has tried to downplay the China threat in a bid to seek political accommodation and cooperation. Nonetheless, there are deep suspicions in New Delhi about Chinese behavior and Beijing’s attempts to carve out strategic space both in South and Southeast Asia and in the IOR. What India is attempting to achieve is a balancing act in which a judicious mix of

pragmatism and nationalism pushes Sino-Indian relations forward without in any way compromising the country’s core interests.

There is a growing understanding within the country that India needs to hedge its bets against China through strategic partnerships with the United States and other major actors in Asia, notably Japan, South Korea, and important ASEAN countries such as Vietnam and Indonesia. At the same time, India must build a strong dissuasive capability to deal with the challenges posed by China’s military, which could become increasingly unmanageable if the growing strategic asymmetry remains unaddressed.

In meeting these challenges, a strong bilateral relationship with the United States, based on a congruence of strategic interests, is important not only as a hedge against China but also to build indigenous defense capabilities and an industrial base. The United States has promised cooperation on both these counts. India’s dilemma is how to balance this strategic partnership with its broader regional concerns.

Three possible paths have been outlined for India’s Asia-Pacific strategy: (1) developing a close political and strategic relationship with the United States to build comprehensive national power, (2) assuming the role of a swing state to balance relations with China and the United States, and (3) accommodating China to buy time to build India’s own dissuasive power. The Indian leadership will need to walk a fine line to build an economic and military relationship with the United States that serves the common aim of maintaining strategic stability in Asia while at the same time ensuring good cooperative relations with China. The main challenge for India is that its strategic vulnerability will increase by 2020–25. In other words, New Delhi does not have time on its side and must get its act together now.