

**ICS Occasional Paper #1** 

ICS-IIC Roundtable on the Brookings Report "Addressing US China Strategic Distrust"

> Institute of Chinese Studies Delhi

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## Foreword

With this publication, the ICS begins a new series in its 'Occasional Papers'. The older series were published as 'Occasional Studies' between 2004-2008. The objective of this publication is to disseminate the ongoing research and writings of the ICS faculty and research associates on aspects of Chinese politics, international relations, economy, society and culture. This inaugural issue in the new series however, represents another important dimension of the intellectual discourse on China in India – and that is to engage with the important writings and texts on China – by Chinese and non-Chinese scholars, outside India. In particular, in the field of international relations, China's dealings with other major powers need to be more carefully followed by Indian scholars since they are provide significant insights into the emerging foreign policy frameworks and enable one to analyse the rationale and motivations underpinning the policies.

With this objective, the ICS in collaboration with the India International Centre, organized a Round Table on 11 May, 2012, on a monograph published by the John L. Thornton China Centre at Brookings, New York, "Addressing US-China Strategic Distrust" (Monograph Series, Number 4, March 2012). Jointly authored by Kenneth Lieberthal, (Senior Fellow in Foreign Policy and in Global Economy and Development and Director of the John L. Thornton China Center at the Brookings Institution) and Wang Jisi (Director of the Center for International and Strategic Studies and Dean of the School of International Studies at Peking University) this was briefly reported in the Indian media along with some reports from the Chinese media. Chaired by Amb. Vinod Khanna (ICS), the speakers at the Round Table were Prof. Varun Sahni (Jawaharlal Nehru University) Prof. C. Raja Mohan (Observer Research Foundation) Prof. Sanjay Chaturvedi (Punjab University) Prof. Chintamani Mahapatra (Jawaharlal Nehru University) and Prof. Alka Acharya (ICS). The discussants were Amb. Leela Ponappa (CSCAP-India) Amb. Kishan S Rana (ICS) and Prof. Manoranjan Mohanty (ICS) The following is a transcript of the presentations, followed by a summary of the discussions, incorporating the different viewpoints without specific attribution.

It is remarkable that distinct and divergent perspectives emerge in the presentations and discussions that follow. It is debatable whether these would represent an Indian perspective - what is instructive is their implicit critique and interrogation of conventional formulations – and therein lies the success of this roundtable. It certainly motivates the ICS to take up similar exercises in the days ahead.

Alka Acharya Director

## Vinod Khanna (In the Chair)

#### Ladies and Gentlemen,

Welcome to the round table. This is a serious discussion on a very important theme because without a shadow of doubt, the US–China relationship is the most important bilateral relationship in the world today and possibly for many years ahead. 'Addressing US China Strategic Distrust', is authored by two exceedingly well known scholars - one American and one Chinese – and makes for some really interesting reading. There is no sensational discovery here, but they seem to have put the things together in an extremely well organised and candid manner. Obviously this should be of great interest to everybody involved in international relations and particularly for us in India because it does have obvious implications for India. There is a brief, passing reference to India in the Report. We have a very distinguished panel of scholars here. Each of them will have fifteen minutes, so that we will have ample time later for open discussion.

## Varun Sahni

'Strategic Distrust' coined by Wang and Lieberthal, is a new term and defined as mutual distrust of long-term, or ultimate intentions in the bilateral relationship. It stems from the perception that the rival nation will seek to achieve its key long-term goals at concerted costs to your own side's core prospects and interests

Viewed from a theoretical lens, this is interesting, because in an anarchic international system, one without a world government, it would be expected that states would distrust one another, especially over the long term, because future events are essentially unpredictable. Theoretically, this would hold true for regional neighbours that share borders and for great powers located on different continents. However, there can be one exception in international politics and that is when states cooperate as a security community and cease to view each other through the lens of 'Strategic Distrust'. In the present US-China scenario, this stands out as a very strong and limiting condition because it is difficult, if not impossible, to envisage China and the US in a security community.

During the cold war period, notwithstanding their anti-Soviet strategic cooperation, the two countries have not really ever been strategic partners, let alone allies. So the term may be newly coined and perhaps a useful one, but theory would suggest that in fact, this is a fairly normal state of affairs. The Brookings' study identifies three fundamental sources of this 'strategic distrust' between China and the US. First, different political traditions, value-systems and cultures; secondly, insufficient comprehension and appreciation of each other's policy-making and policy-formulation systems, including the relation between the government and other entities; and lastly, perceptions of the narrowing power gap between the US and China.

It is interesting that the first of these sources of strategic distrust, i.e. the different political traditions, value systems and cultures, relate to different identities and can essentially be an intellectual bridge-building exercise. This, fundamental basis, according to Lieberthal and Wang, is of core relevance, but it's interesting that the two authors label it as structural and deep rooted. So a general theoretical position that one derives, is that cultural difference, especially differences in political culture, is fundamental and immutable.

## C Rajamohan

I would like to begin by congratulating the ICS for having put its focus on this Report which sums up the bilateral relations between China and the US. In India our discourse tends to be so obsessed with our own bilateral relationships individually with US and China that we forget to follow what the other powers are doing by logic of their own circumstances and internal requirements. This obsession of ours to look at everything from bilateral perspectives tends to limit our understanding of the bigger picture that is going on around the world. So therefore this roundtable on the Brookings Report is a significant exchange as this Report focuses on the dynamics between US and China and how it plays out.

Traditionally we have avoided looking at the world in terms of power. Nonalignment was a response to the contestations between the two major powers, but the North-South rhetoric, the third world-ism, the moral-politik, tended to push away any serious analysis of the international system purely from a power perspective which dealt with issues on what are great powers doing and how they are relating with each other. This has been a fairly consistent problem for India and if we go back to the nationalist movement period during the World War II, we can see that we fell in between many stools, in addressing the great power contestations which were taking place during that time. On the 'Left', there was the view that it was an imperialist war, at least till 1942, and then it became a 'people's war', so therefore how we thought about it was driven more by ideological considerations, rather than by an actual objective assessment. On the 'Right', Subash Bose decided to align with the Fascists, where he saw a better chance of getting independence. The Congress, in between, could not decide - it talked the anti-fascist talk but it couldn't walk the anti-fascist walk. Therefore, conflating the logic of fighting fascism with the logic of actually fighting imperialism, meant that the Congress supported the war without getting any benefits from it, particularly for the national movement. During the Cold War we had huge difficulties in dealing with rivalries between the US and Soviet Union as well as between China and the Soviet Union. Therefore looking at the US-China relationship objectively, on its own terms, is important, since this relationship is going to affect every single aspect of international relations and also our own interests in the international system.

The second point about the Report is that it looks like it is the typical, usual material that comes out of Washington think tanks. It frames the issue nicely; a well-known Chinese scholar and a leading Sinologist in the US are putting forward their respective national positions, but in terms of outcomes there is nothing new. As is customary to the function of think tanks, the Report recommends more engagements, more conferences, diplomacy and more of track 1 and 2dialogues, and so on. The focus of the Report is on how you get the two systems to work together, given the specific context. The analytics is somewhat weak because it comes only from the national perspectives. The Chinese position is far more honest by posing the fundamental contradiction between US and China, while the US says that there is none and they can manage it. In a fundamental sense it reflects the divergence of the two perspectives on this issue. However, I am rather sceptical about posing the issue as 'distrust', given the fact that China and the US have a far greater engagement than seen between the US and any of the other powers. Unlike the relations between Soviet Union and the US, China-US relationship is much deeper, thicker and denser, characterised by far more interactions between the two sides. So it is not a problem of distrust, but it's a problem of structure and there are three distinct structural issues that can be identified.

First, as pointed out by Varun, there is a re-distribution of power taking place. China's power is rising while that of the US is going through a relative decline (which can be debated in terms of the scale and consequences), but the fact is, that a redistribution of power *is taking place*. Further, this re-distribution is occuring at a time of instability in the international system and power transitions actually take place because of the changes in the distribution of power.

The second structural factor is the unprecedented economic interdependence between US and China. One cannot say the same about the Soviet Union and the US during the period of the cold war rivalry – they had very little economic interaction. China is not Russia. A part of the problem is that we are so focused on political science that there is not enough of historical sense of understanding and viewing this on a much longer time scale. There would not be a replication of the US-Soviet cold war - it would be very different in the case of China and the US because the nature of the interdependence between the two is profound and deep. Never in history did we have the number one and the number two powers so thoroughly integrated in the manner that we see today. Undoubtedly, interdependence generates its own problems but that is a different set of issues. Where China is under pressure to rebalance, the US takes steps to exert some kind of economic reassertion of its economic vitality, and there we have a set of problems.

The third structural feature the Report talks about, is the divergent values. When we talk about divergent values it is not necessary to refer to the political values as the two countries are have different political systems. There is also a divergence of economic values i.e., what kind of capitalism is being adopted by the two countries since the dominant discourse is about capitalism versus socialism. The question today is not that China and the US are different in terms of socialist and capitalist economies, but rather about what kind of capitalism is China building. The Report talks about mercantilism and about China's logic of structuring capitalism in a manner which is different from the Anglo Saxon notion that has been shaped in the last 300 years. So there is a fundamental difference in terms of values.

These are thus the three structural features: first, the distribution of power, secondly the economic interdependence and lastly the divergent economic and political values. The crux is how these would unfold. I do not believe that this is a matter of distrust. "Distrust" is a diplomatic problem and not a political or a policy problem and it is about how you communicate when fundamental changes are taking place in the structure of the international system. That brings me to the fourth set of issues, related to these two powers. The most significant effect is going to be in Asia and can extend to the Indo Pacific. Mainly, it is this region where the outcome of this great power dynamic between US and China is going to play itself out. Considering the various possibilities, let me enumerate seven possible situational outcomes in this rivalry or contestation or cooperation.

One is the notion of Collective Security. Varun referred to it as collective and cooperative in the sense that somehow Asia will become Europe; that Asia will emulate Europe. The notion of Collective Security has deep resonance in the Indian mind, because it is moral, it is right, the lion lies down with the lamb - you can therefore construct a Collective Security mechanism, using the European model: 'one for all, all for one'.

The second scenario of course is the prospect of Chinese 'hegemony'. As China's power appears relentless and unstoppable, the Chinese dominance will become a reality. It is a matter of time and therefore we might go back, to what some Chinese scholars would say, the

ancient Chinese International World Order, of *Tian-ze* of benign Chinese hegemony and everybody becomes a part of this empire.

The third scenario envisions China and the US on the cusp of embarking on an allencompassing rivalry in Asia, i.e., going back to the Europe of the first half of the 20<sup>th</sup> century, a situation similar to the rise of Germany, which led the other powers to ally together and defeat the rising power. It took two great World Wars to do that job; therefore in this context, US-China rivalry is about a classic tension between the rising power and the current hegemonic power and how that will work itself out.

The fourth possibility is that of a G2 formation which could see the two powers working together and running the world. When Obama came to power that this was exactly what he was proposing throughout his first year in office, as he reached out to the Chinese, suggesting that they could work together and manage the world. Whether it is global warming or global finance, most of the issues rightly require US-China cooperation, which was the basis of the need to form the G2. Unarguably, the China would agree to a G2 framework on its own terms and not on the terms of the current hegemon. So, although it's not a problem of principle, it's a problem of negotiations or the terms between the status quo power and the rising power.

The fifth possibility is about 'Spheres of Influence'. The G2 is different from the concept of 'spheres of influence'. During the 16<sup>th</sup> century, the Pope drew a line across the globe and told the rulers of Spain and Portugal to rule their halves. Similarly, a Chinese admiral reportedly told the American admiral, CinCPAC, that east of Hawaii should be taken care of by the Chinese while the west would be managed by the US and that either side would extend assistance to the other in case of any problems! So the idea of a 'separate sphere of influence' helps reduce the competition with occasional cooperation on other issues.

The sixth possibility visualises the US moving from the current approach of strengthening its alliances to 'offshore balancing'. The US in this scenario could take a step back and probably save itself the cost of large military deployments. However, the US continues to prefer a strong controlling role in Asia. But at some stage, given the limited resources, they might well decide to let China, India and Japan contest for supremacy and they would merely go out and tilt the balance. This is what Britain tried to do in 19<sup>th</sup> century Europe. There is therefore a viable possibility of the US taking a step back and letting the structure build up and then intervene later on.

The last possibility is that of a 'Concert'. The US and China could draw in other powers, since neither of them can manage it alone or even together. Powers like India and Japan could be consolidated and rules could be laid down. This way the post-Napoleanic wars of Europe were managed through the concert line. However, the drawback to this scenario is that there is no line of demarcation, including and excluding partners and issues. So there is a problem if, within a concert of India, China and US (as also other regional countries like Indonesia or Japan) there might be different views about who should be in the concert or who should be outside of the concert. In the past US Secretary of State Hillary Clinton mentioned the possibility of Trilateral Dialogues.

Broadly therefore, with Asia as the focus, these are the general scenarios which we could expect. My last point is concerning the relevance of this analysis for India. Coming back to the Indian perspective, all these tendencies will be reflected in different forms. This is not going to be a "cold war" like straight forward Communism versus Capitalism and/or East versus the West.

That sort of a Manichaean way in which we viewed the world and to which we were habituated, would not be emulated in this scenario. This system instead will be required to work on areas of cooperation, almost like the G2 in global finance. It is expected that the US and China would be setting the rules for global financial and economic restructuring. There could be other areas like climate change or even restructuring international institutions, where they might appoint a third country, such as India to intervene.

Different sectors would have different aspects of all the seven possibilities which have been discussed above. India should expect that any or more of all these could play themselves out. I therefore believe that this requires an entirely different mindset and the challenge for India is to develop this mindset, rather than wait to see if the US is with us or against us today. Ideally of course US and China should have sufficient tensions, but not necessarily so much as to actually lead to war, so that, as Varun said, we don't have to take sides. However, enough tensions could create a conducive environment for India to leverage both powers. That would be the ideal situation but what you want is not what you get. So dealing with this real world requires a far more agile approach which sheds much of the early 20<sup>th</sup> century ideas which we inherited from the national movement. There are different ways in which states behave and while we see much more interdependence, there are also going to be many of the classic features of the balance of power politics, which will also be unfolding. But then dealing with this new situation requires the shedding of a lot of intellectual baggage which we have acquired over the years. It may not happen any time soon, because we are already talking about the different versions of Non-alignment. But one really cannot use old vocabulary to define the challenges that we face.

## Chintamani Mahapatra

The term "distrust" does not necessarily reflect the state of relationship between U.S and China. Distrust, mistrust, apprehension, doubts and suspicion are part and parcel of international relations. This situation describes the character of the existing tensions between aspiration and anxiety. The Chinese aspiration and U.S anxiety is a better explanation of the current status of the relationship. As reflected in the Report, 'mistrust' and/or 'distrust' is the current depiction of mutual perceptions among the political elites of Beijing and Washington.

In the US there are multiple perspectives about China. Through the reports of the Pentagon, one gets to know that in the military perspective, China is a regional and not a global challenger. The reports from the corporate sector of America depict China as a land of perpetual opportunity for business, while the reports from State Department state clearly that it aspires to make China a stakeholder in a system built by Americans. As China grows stronger, the US expects China to be a part of the burden-sharing process. Finally, the NGOs and liberal democratic groups, particularly the human rights watchers and other similar groups, have an altogether different perspective on China.

According to Kenneth Liberthal, 'strategic distrust is accepted wisdom in Beijing' and if the term is accepted in Washington as well, it becomes a mutual perception from both powers. The American 'strategic distrust' would rest on the following concerns:

First, the US anxiety stems from the fact that China is ruled by a Communist Party. It has adopted its own form of capitalism and its economic policies have made it the number one banker to the U.S in a period when the US economy is not doing very well. Secondly, the US believes that in one generation's time, China will become the number one and biggest market in the world, not the U.S. Thirdly, during the last decade, the world has become acquainted with the 'made in China' tagline. When one walks into any store in the US, most of the products are made in China. Economists predict that in the coming decades, China will become a market for global products because of the increasing purchasing power of the Chinese. Most of the containers which are carrying Chinese goods to different parts of the world and returning as empty containers, will in the future, be packed with goods and commodities produced around the world. The Americans are also worried that most of its allies, particularly in the Asia-Pacific, now have China as their number one trade partner. The expansion of the Chinese influence in Latin America, long perceived as the US' backyard, has been a matter of concern, expressed in American writings, speeches and statements. Chinese have intervened not just economically but even in military terms, by selling weapons to Venezuela and other Latin America countries.

However, historical events show that breeding this kind of anxiety is typically an American tendency. During the 1950's, the reports and debates spoke of the U.S's relative decline and another power taking over. After almost every decade, or after every twelve to fifteen years the discourse on the US's relative decline has been a recurring feature. It may be recalled that back in the 1980s, the furore was over Japan's economic empowerment; that Japan could say 'no'. Japanese then were buying real estate in Manhattan, the heart of New York. Then the focus shifted to the European Union (EU). As the integration of the EU deepened in almost all spheres, it was perceived as a rival to US hegemony. It was seemingly a contestation between the USA and USE (United States of Europe). In the US-China context, there are those who bring up the China threat, which is likely to take over the US as the new hegemon.

The next observation on the Report is, that it comes across as a somewhat unbalanced and onesided approach. This is so because it highlights only those aspects which indicate some kind of mistrust between both the countries and totally ignores the positive side of the relationship. In spite of the differences in the political and cultural values and the political systems, it is the Americans who have enriched the Chinese economy annually, by billions of dollars, through trade surplus. In most of the multilateral fora, the Chinese and American diplomats have worked together to address numerous issues that they may view differently. Additionally, more than fifty thousand Americans live and conduct their business in Hong Kong. There are more than twelve hundred areas of joint ventures between Chinese and American companies. If all these had been highlighted in this Report, probably the conclusions could have been a little more balanced. The recommendations are almost simplistic and do not provide any new feature in US-China relations. Some recommendations in the Report have already been initiated at the policy level.

The strategic and economic dialogue between China and America that commenced in 2009, is akin to the dialogue that the Report recommends. The Chinese and the Americans already have an ongoing dialogue in sixty different areas of cooperation. The triangular dialogue that this report proposes already exists between U.S, China and Japan. The proposal to make a second trilateral between the U.S. China and India would create too many triangles. The question that arises from such a proposal is, why should the U.S and China together be talking to India and Japan separately? Instead India and Japan can be brought on board to create a quadrilateral dialogue platform instead of multiple triangular dialogue platforms. The Report recommends the creation of favourable conditions to encourage Chinese investment in U.S real estate. It also recommends that the Chinese make the working of their political system more transparent to American officials. However, this transparency is not specified for other powers like India, Japan or any other country. The Chinese acceptance of such a fantastic proposal, especially with regard to making their political system transparent to American officials remains an area of doubt and contestation.

The recommendations on the military front would also be contested, as China would not feel the need to discuss the limitations of their military capability with the U.S. In the field of cyber space, the Americans have conducted espionage operations on the Chinese cyber programme and vice-versa, while on the other hand, both powers are exploring the possibility of creating new norms in this area through dialogue. So although this report recommends a cooperative zone, the feasibility of it remains strongly doubtful. By analysing the evolving relationship between the US and China and its likely outcome in the future, the following possibilities could be envisaged:

We can begin with ruling out a military confrontation between the U.S and China in the foreseeable future. For close to fifty years during the cold war period, the US and the Soviet Union rarely faced a situation of annihilating the other. Likewise, although the U.S and Chinese differ on many critical issues, military confrontations are highly unlikely. However, political confrontation between China and the U.S is inevitable and has already begun. Without getting into the details, in the recent past, the South China Sea has been a flashpoint for political differences. The Chinese assertiveness and the American intervention into the South China Sea has created differences between the two. While the Chinese want bilateral mechanisms to resolve the territorial problem in the South China Sea, the Americans want a multilateral dialogue. In the US perception, China has been interfering in different spheres with the American allies or the potential allies in the region: Vietnam, India, Japan and now the Philippines, so China's political intervention may increase in the future.

Secondly, the economic interdependence between China and US in last two years, as has been pointed out by the earlier speakers as well, has become deeper and broader. Out of fifty states in the US, the Chinese have a presence in thirty-five states. An economic interdependence of this scale would make any military conflict a no win scenario for both powers. It is clear that economic interdependence between the U.S. and China would regulate the limits of the political confrontation. Currently China's relations with the Philippines are marked by disputed territorial waters and islands in the South China Sea. The US has played both sides by signing agreements to enhance strategic cooperation with the Philippines as also engaged in dialogues with Beijing on non-intervention in the regional territorial disputes. However, the US has also endorsed better bilateral relations and peaceful settlement of territorial dispute with the Philippines. The future scenario will therefore see political confrontation being regulated by economic interdependence and interests.

Thirdly, China is definitely rising and moving very fast, but it is not rising fast enough to replace the US in the foreseeable future. It would still be a long shot for China to emerge as the hegemon. Although the Chinese *renminbi* may be strong, it would not be able to replace the U.S dollar any time soon. Chinese military technology capabilities are no match for the US, but its modernization related developments may engage the Americans into an arms race in the future.

Many scholars consider US-China relations as the most important of all bilateral relationships in international politics. If the American hegemony faces challenges, it would not be

from China alone but other consolidated centres of power particularly the BRICS countries. Russia remains the only country in the world which can challenge the physical existence of the United States in the world in spite of its recurring problems. India is an emerging power, Brazil is a rising power, so is China. Hence, China is not alone. The US has experienced the limits of its military power in Iraq and Afghanistan as they did in Vietnam. So China would not be the sole power to bring down or challenge the American hegemony.

### Sanjay Chaturvedi

The Brookings Report shows us how different institutions and various intellectuals of statecraft within a state could take different perspectives in mapping the discourses of emerging threats and opportunities. Taking a cue from this approach to institutionalised 'distrust', my first point is that the Indian perspective should also be pluralized in separate domains. Secondly ,I would assess the Report from two lenses - geopolitics and geo-strategy - as it raises two sets of queries. The first set pertains to the cartographies of 'strategic distrust' and the spaces where the discourse of distrust between the Unites States and China is being mapped out; and the second set involves the Indo-centric perspective of changing maps and cartographies, where the Report has profound geopolitical and geostrategic inferences.

The two references in the Report, one to the 'pivot to Asia' and the other to the 'Indo-Pacific', have particularly deep geopolitical and geostrategic implications. Liberthal and Wang make certain points in between the lines, when they talk about the growing cartographic anxieties in Beijing over the re mapping of Asia by the Obama administration.

The distrust between the US and China has deep and profound implications for Indian foreign policy and diplomacy and therefore it is necessary to focus on these cartographies of the Indian Ocean and the Indo-Pacific. The Report has undercurrents of what George Sorensen calls the 'interregnum', which means that the *old* cold war-based geopolitical order is withering away with all its cartographies and mappings of Asia. Since it has not disappeared completely but is still in the process of fading away, it means that many cartographic spatial legacies still continue to persist from that period.

At the same time, the contours of the new world order in the context of the Asian century, are still very fuzzy, with the result that we are living in a period in which foreign policy establishments throughout the world face a great deal of uncertainty over the kind of future that beckons them. We are witnessing an unprecedented geopolitical transformation on the Euro- Asian front i.e. the simultaneous rise of the Euro-Asian rimland. In 1904, responding to the cartographic anxieties of the British audience, Halford J Mackinder in his address to the Royal Geographical Society in 1904, spoke about the geographical pivot. It was a time of the relative decline of the British Empire when new centres of power were emerging. Today, in the context of the Brookings Report, we are discussing the relative decline of the US and the simultaneous rise of the Euro-Asian rimland. It is interesting to note how declining powers tend to define their own spaces where they could defend their strategic interest, even as the rising powers try to create spaces of their own and the kind of tension bordering on conflict that ensues between these two spatialities. The Report appears to be a prisoner of the trigonometric cartographies of global geopolitics, driven by the notion of 'major powers'. The recommendations in the Report suggesting two minilateral

dialogues: (one between the US, China and Japan; and the other between the US, China and India) does not fit into India's geopolitical interest, because it completely marginalises the smaller powers. Thus if India intends to enter into multilateral dialogues it will have to move away from the obsession with major powers and involve the smaller powers.

The new discourses clearly suggest that the Indian Ocean is going to be a pivot of 21<sup>st</sup> century geopolitics. There is no doubt that the Indian Ocean is the geopolitical strategic space where the United States would like to engage with Asia and this has given rise to the new discourse of the Indo –Pacific. It is extremely important to critique this concept which is not only likely to add to the strategic distrust between China and the United States, but will cause a whole range of other problems for India. One cannot overlook the fact that there is strategic distrust between India and China and this distrust is also rising between other powers in the international system.

The concept of the Indo-Pacific, is driven essentially by the geopolitical strategic calculations of the declining power, ie, the US. Since it is also important to pluralise this discourse, we must understand that this is a discourse driven by the Pentagon and the military, the underlying logic of which is to counter-balance China. This concept, in my view, is exclusivist in nature, which acknowledges on the one hand, a fairly obvious fact that boundaries between the Indian Ocean and the Pacific Ocean are becoming increasingly porous. I think nobody would deny that, but it also talks about the global maritime highways and of securing those highways. This again is something nobody would dispute. But it has other connotations and implications. First, it has a calculated inbuilt ambiguity. Thus, when strategic thinkers use the discourse of the Indo-Pacific, the boundaries are very unclear and nebulous. Secondly, there was a reference in a recent newspaper article to Hilary Clinton's use of the term Indian Subcontinent in place of South Asia. In this construction, there is of course a boundary between the US Central and the Pacific Commands, but more importantly, for India's neighbours, it delineates huge anxieties for them since this term, is increasingly replacing the term 'South Asia'.

On the other hand, there is a far more inclusive concept of the Indian Ocean Rimland Association for Regional Cooperation (IORARC), although it is not possible to ignore the fact that it excludes the US and it was India that chaired its meeting in Bangalore. The IORARC mainly addresses non-traditional security threat issues and compared to the Indo-Pacific, encompasses a much more interesting discourse. But the issues taken up by the Indo-Pacific concept of security cooperation are the issues of high politics, such as securing the SLOCs.

To conclude, I would argue that Indian perspectives on this particular Report need to be anchored and placed in the broader context of the geopolitical and strategic transformations that are taking place in the international system. Of course, the Report does not talk about various other spaces like the Outer Space. It talks about Cyber Security, but not about Outer Space where again we have a huge problem of strategic distrust. Then of course, one can even talk about the 'Polar Regions'. But my point is more fundamental - that, it is the Indian Ocean and its new discursive construction i.e. the Indo-Pacific, where the China - US distrust will grow. I think there is a brief reference in the Report to the 'Pivot to Asia' and it says that although Beijing has not yet responded to this concept, it will come about sooner than later. So, it would be in India's interest to talk about a new 'Indo-Pacific' concept which is far more inclusive, which acknowledges that the boundaries between the Indian Ocean and the Pacific Ocean are becoming increasingly porous and at the same time to ensure that the IOARC is rejuvenated because these are some of the challenges that India is going to face as far as this issue of strategic distrust is concerned.

### Alka Acharya

I would like to begin by acknowledging Rajamohan's appreciation of this initiative of the ICS to interrogate the Sino-US dialogue in the 'logic of their own circumstances'- to move away from looking at China and India only in a bilateral framework and to broaden our understanding of the bigger picture. That was indeed the motivation with which we embarked on this exercise. However, as I was reading the Report, it occurred to me that, at another level, deconstructing this Report can prove to be immensely useful in terms of some more fundamental implications for India, particularly in the way the term 'strategic distrust' has been coined, employed and the nuances of the US-China relationship that it has tried to highlight. We have been hearing the term 'distrust' a great deal these days - India- China relations it is often argued (though not in as rigorous a fashion as this Report does) are equally hostage to the element of 'distrust' which is seen as an unfolding matter of great concern. It is also heard increasingly in policy circles. But it occurs to me that given its pertinence in the India context, we could also usefully take up a critical analysis of India-China relations within this prism.

There are two aspects at the macro level. First, the purpose of these two leading scholars -one Chinese and one American – Wang and Lieberthal - who discuss the issue of mutual 'Strategic Distrust' and the respective perceptions thereof, at this particular point in time .It is important to comprehend the larger objective because if we look at the issues that are dealt with, these are ongoing issues in Sino-US relations, which have also featured in the past and are likely to continue in the future as well. These are also issues which cannot be resolved within a short period of time. Hence, although these are on-going issues, yet the 'strategic distrust' is said to operate in a long-term perspective. The underlying implication is that of a potential clash and therefore the need to address these issues which are contributing to that distrust. It is hoped that this would have a positive fallout on the future unfolding of this relationship.

The second aspect appears to deal with the question of power – and the power imbalance that is inherent in the current situation. We have here a rising power and a power in a state of relative decline. Therefore there is a need to address something which is clearly very much a part of the larger international relations discourse i.e., power transition. The Report is extremely useful in providing an insight into the larger, academic and scholarly unfolding Sino-US discourse on power transition in international relations. Secondly, and more importantly, it helps in understanding the dynamics of the Sino-American relationship at a critical juncture of their respective circumstances. The way in which both the scholars have tried to address the issues of power transition, while not making it a theoretical study, is very interesting.

Within the Chinese discourse on power transition, we can discern five strands in the context of the Sino-US relations which has a bearing on the concept of 'strategic distrust'. First, most of the Chinese scholars tend to look at the rise of China not as an irreversible phenomenon that has already arrived. They use the term 'rising' or *jueqi* with great care and continue to identify China as a developing country. Insofar as theoretical writings on this are concerned, most Chinese scholars question the parameters on the basis of which a rising power is sought to be defined or

identified. The aspects which would generally and conventionally identify a rising power among many others are territory, demography, military, and economics and the political dimensions. However, there is an accompanying insistence on a certain rigour with which these categories are applied, before reaching any conclusions. They argue that most of these categories are extremely indistinct, for example if economic power is taken as a yardstick, at what stage of development do the economic capabilities can be said to constitute the basis of its rise.

Second, the fact that a country has a certain position in the international economy, does not qualify for it to become an economic power, because in per capita terms it might be far behind the other developed countries. Same is with the case of military capabilities. The thrust of the arguments against the parameters or the indices by which a rising power is so defined, is constantly questioned by the Chinese scholars. As yardsticks to assess a nation's performance vary greatly, the scholars particularly are constantly contesting the different assessments that are coming from different sections or different groups on China's capabilities and rise. So there is a section that questions the American assessment of China's military capabilities and the way in which their economic data is being interpreted and so on. However, what remains evident is that there are attempts from various quarters to question this tendency to 'thrust' them into the forefront as it were. Chinese scholars inquire into how to assess who qualifies as a rising power and when do the economic or military capabilities reach the point where one can actually talk in terms of challenge or major challenge, are worth contemplating. They emphasise the fact that they are a developing country, and are therefore not likely to emerge as a major challenger to the system any time soon or in the near future.

Third, when does a challenger, that is to say a revisionist power which seeks to change the status quo, become a threat to the international relations system - which is implicit in the systemic transformation argument. Furthermore, there is yet another dimension here – when the 'distrust' that is in operation is completely out of the realm of strategic calculation, which is more policy oriented and has more practical aspects.

Fourth, it is also important that the strategic choices made by countries must be factored into the argument. When countries make strategic choices and scholars attempt to interpret or construct the social reality in which they are being made, the concept of 'strategic distrust' becomes very interesting because it is indicative of the prism through which strategic choices are being interpreted. So where and how does this strategic choice operate in a way in which the distrust is enhanced? And here the historical aspect becomes very critical. Chinese scholars also invoke a lot of history; in fact it is very interesting to see Chinese writing more than any other, constantly bringing history into play. They also look at these transitions more in terms of historical choices, rather than bringing them up as a set of parameters which can be contested. A great dea of research has been done by the Chinese on Great Britain's strategic choices towards the end of the nineteenth century - when and how the United Kingdom decided to take up Japan as a junior partner and why? If they really wished to oppose Germany, then how did Japan come on as a partner in their decision to support Czarist Russia? So there has been a lot of work looking at these strategic choices.

Fifth, there is a set of issues pertaining to the political system. There are all sorts of things in this sphere but three important issues are identified which represent some of the most fundamental departures, viz, the regime characteristics, culture and norms. Once again these questions give rise to when and how does the state becomes a challenger, how is it judged as more

or less threatening in terms of its regime characteristics, its cultural orientation or more importantly whether it is pro-s*tatus quo* or anti-s*tatus quo*? Also what are the political and/or cultural indicators to show that a rising power will challenge a system and when?

By and large, it would appear that a rising power is less likely to challenge the current hegemon, because it does not want to jeopardise the rise that is taking place. The argument is that the rising power will only challenge the system, the entire system, if it is seen as being dissatisfied with the way the current system operates. If a revisionist power wants to change the system and it is actually benefiting from the existing system and if it is on the rise, it is likely to play a far more stabilising role than a challenging role. The Chinese clearly are both; they are benefiting a great deal and most Chinese argue that it is Americans who are constantly trying to upset the status quo by talking about spreading the democratisation and opening up of the world for capitalism etc. On the other hand they (Chinese) are more status quo oriented; they are upholding the Westphalian system of the sovereign nation-state and so on. In that sense they are extremely unlikely to embark on a path or make strategic choices which would precipitate war or impart instability in the system.

The second point in this set is that Chinese scholars contest the argument that they are a dissatisfied power because of the century long humiliation, memories of the imperialist exploitation and so on, but their argument is that as long as the system is going to be beneficial to this rise, fast or slow is not the question, they are going to support it.

The third point which again emerges from the power transition theory, is that the rising power is less likely to be threatened by its immediate neighbourhood because its neighbours are less likely to enter into a coalition against the rising power, unless the power in question is either warring on its neighbours or posing a severe threat. In many ways this implies that the China 'challenge' in its immediate neighbourhood is not likely to produce instability, because its neighbours are not turning against China and are in fact also benefitting from China's rise.

In sum, the Chinese approach would be to interpret 'strategic distrust' differently, rather than go along with a coinage – as Wang appears to do - which seems to privilege a specific perception of the rise of China and the consequences thereof.

#### <u>Leela Ponappa</u>

It would be interesting to identify the parameters of what is being discussed, beyond the definitions of 'strategic', of 'distrust' and of 'challengers'. While reading the Report, it is worth contemplating specifically *what* issues the US and China are looking at and *how* they view them: whether the attempt has been of squaring a circle, viewing themselves as strange bedfellows, tracing a new road map for a G2, of a clash, not of civilizations but of hegemons, or of avoiding a second Cold War.

As Prof. Mahapatra pointed out, if you have sixty dialogue platforms, will a few more necessarily end the unease? I would prefer to use the term unease instead of distrust. There appears to be a certain historic inevitability with regard to the US-China face off and I believe that the crux of the problem, which has been touched upon but has not been stated as such, is the US role in Asia. We have had different models and I am very glad that Prof. Sahni brought 'History' in, because it can teach us about both what happened and what did not. Look at the US

engagement with Asia throughout the 19<sup>th</sup> century; that was the time when America really got into the Pacific and there is also the World War II itself, the debate within Washington about the nature of support, which ultimately became hostility, to the two major nationalist movements taking place in Asia, namely China itself and Vietnam. Then the Vietnam War as well – its process, the extended lines of supply and the absence of a mission (unlike the last great trans-oceanic war, where there was a mission i.e. Germany).

Another very important and oft-neglected aspect that carries long-term repercussions, is the where boundaries lie and/or the extension of boundaries and their demarcation. For example the integration of Hawaii as a state was an important move to determine America's maritime reach and influence. Or if we were to look forward another fifty years, the extension of the US' maritime boundaries to Micronesia or Guam, would that make America a coastal Asian state? We are also observing the hesitant transformation of the entire ASEAN architecture into the ASEAN Regional Forum (ARF) and now more recently into the East Asia Summit. The latter, initially designed to keep India out, has now thanks to some friends, incorporated India as also the US and Russia. So in a way, it's a reconstitution of the earlier power structures. In the context of the current discourse on Indo-Pacific, let us recall that after the First Gulf War, the US Fifth fleet in the Gulf, was headquartered not in the Mediterranean but in Hawaii and was controlled by CinCPAC. I think this is really where the continuum of the Indian and Pacific oceans needs to be looked at, in terms of both the America's strategic perceptions and China's own strategic perception, which I believe is about obtaining a 'two-ocean front', which it currently does not have but it is working towards.

The face-off here is obviously different from what happened with the Soviet Union, because I do not believe either state poses an existential threat to the other in the manner that for example the US viewed the Soviet Union and worked towards its implosion during the cold war. If we are talking about preventing Cold War II or the need for a security alliance in order to eliminate distrust, we have seen even within NATO, which is perhaps the most cohesive security group, there are issues of mutual distrust. For example, between Northern and Southern Europe, NATO'S own reach, its definition of itself, whether it is to be in Asia or in the Indian Ocean ;the circumventing of Africa, which took place a few years ago etc. So obviously, it is not an alliance, but then, is it a friendship or an accommodative partnership?

I was struck by the manner in which the term 'normal major power relationship' has been used in the latter part of the Report, where it is defined with regard to "convergence of interests wherever possible", and "managing of differences." But it appears to have an underlying assumption that peace is normal and that tension is abnormal, although I think what history tells us, is just the reverse. There are some other notable features in the Report, which did not come out so far in today's discussion and that is 'institutionalized distrust' in the American perception. The Report discusses at length the issue of how the US Congress fosters distrust by mandating the Pentagon to come up with an annual review of China. It appears to suggest that if the annual report was not undertaken, there would be less distrust between the two countries. Equally, there is also a far-reaching and at the same time somewhat naïve suggestion that both sides could consider the arraying of forces, which could ensure that the interests of both sides are met. However, this suggestion appears somewhat odd because it does not seem to acknowledge the inherent contradictions in the relationship. Likewise, the notion that if the US understood the Chinese political system better, it would automatically understand, for example, why China cannot implement its own regulations on Intellectual Property Rights (IPR). The loop does not come all the way around.

The Report touched upon, but misses out on amplifying, the importance of 'technology as power' – though it does refer to Outer Space. Although the US economy faces difficulties, it nevertheless cannot be seen as declining. It remains a greatly resilient economy and society, but the issue is about manufacturing as economic security (this happens to be an issue that India too is facing as much as America). Yet, Hillary Clinton's visit in May 2012 was evidence enough of the tremendous power that America could bring through the global financial system, in terms of weakening Iraq. So if this is a road map for the new G2- and there are indications of that - whether it is on forced deployment or on nuclearization- there is a case for common platforms, comparable to the arms control talks that used to take place between the US and Soviet Union.

I believe that the frequently discussed Indo-Pacific debate is driven not only by US interests but also by Chinese interests in the region. However, China does not articulate its interests in the same way as the US; they are not given to over-defining what their strategic interests are but have the ability to maintain 'strategic silence'. This situation is unlike the Cold War I when both America and Soviet Union had an immense range and reach, with two-ocean fronts, both of them intersecting in the Indian Ocean. China clearly has a Pacific front, but it is still probing, exploring, and developing its presence in the Indian Ocean. There were expectations that China would enter the Indian Ocean in 2015; however, due to the Somali pirates they have became involved much earlier – the inroads made through Myanmar and Pakistan were linked to this.

On analyzing the nature of each state as examined in detail by the authors, it is significant that China has no evident or defined Monroe Doctrine as the US had. Had there been Chinese presence off the coast of California or along Hawaii, there would have been very different kinds of reactions from the US. The conclusion that can be arrived at from some of the indicators within the Report is that while this discourse of the US-China relationship emerges as a very important one, (it is arguable whether it *is the most* or *single most* important), it becomes relatively less relevant in different local situations. For example, in Angola there have been certain critical issues that are far more important for that region than the US- China relationship, unless it is about oil.

With regard to the Indian context, there are few questions that need to be addressed. First, how does India position itself? India needs to consider its Pacific Ocean presence – not power (I believe that India is not yet a power in the Pacific Ocean). But because of its interests regarding trade, and physical and geopolitical connectivity (by both land and sea) and the issue of India's soft power in the Pacific Ocean - which carries a historical legacy but I will not go into that – all of which argue for the need which calls for the repositioning of India in terms of expanding its ambit in the present times.

As mentioned earlier about the IORARC, the demarcation of borders in the Indian Ocean (which never actually existed) was intended for connectivity during the 19<sup>th</sup> century -the two great canals, Suez and Panama, provided the connectivity between two major ocean systems. Similarly, the (Kra Isthmus) in southern Thailand has also been discussed as a possible connector. However, while any canal coming up there in the near future seems a bleak possibility, a land bridge would certainly provide the connectivity, which would go right through the 10 degree channel in the Andaman's. India is well positioned insofar as this location is concerned. The trilateral highway joining India, Myanmar and Thailand, could provide a route from port Okra

(Gujarat) in India's west to Doling on the South China Sea. Thailand and Myanmar's joint efforts on the Dawei Deep Sea Project(Tavy in the old colonial maps) in Myanmar would provide India connectivity across the Bay of Bengal by road to Kanchanaburi and Bangkok and then into the South China Sea. These are important concerns for India in terms of its presence in Pacific Ocean.

The second important issue is related to the nature of Asian Security. The debates on Asian security architecture examine possible models and/or frameworks based on the ASEAN, SCO, ASEAN+3 (where India has not been allowed in, notwithstanding a suggestion of ASEAN+3+1) or Gulf Cooperation Council. (since the linkages are fairly intensive). The Report has many assumptions, which are somewhat limited and is sketchy on some concerns like terrorism, which potentially could develop into a major issue between the United States and China, for the simple reason that like nuclear weaponisation, it is a global threat. The Report makes a reference to the fact that the academic community in the United States is able to think geostrategically whereas the diplomatic community really looks at the issues of the day. However, Lieberthal and Wang seem to forget that there are many academics that work in the US system like Kissinger and Condoleezza Rice and Brzezinski. The Report takes a somewhat defensive and apologetic position on China. The assumption that the failure on the export review would create misunderstanding is not at all convincing, since the Chinese system has far too sophisticated an understanding of the US system. Likewise, the assumption that discourses/dialogues on internal processes will increase mutual understanding is also a long shot.

The case for democracy is overdone – the US has skillfully shown that it deals very well with authoritarian as well as democratic forces. In conclusion, all the stated issues conclude with one very important question for both China and U.S - whether it is better to be number one or number two? Obviously the US enjoys being number one and China protests that it is happy to be number two. But obviously if number two wishes to become number one and clearly number one does not wish to become number two, then there are problems.

## **Kishan Rana**

The Americans constantly use the word 'diplomacy' as a synonym for foreign policy - Kissinger uses it extensively in his great tome bearing the same title - It has very little to do with diplomacy and all to do with foreign policy, but that's the American way.

To start with, there really are two Reports, followed by common conclusions. When the Americans refer to India as the largest democratic country in the world, the connotation for China is obvious. This is extremely revealing of the strategic distrust between the US and China. China sees many American activities in the world, that are "violations of the principle of noninterference in other countries' domestic affairs and the global effort to complicate and constrain China's rise." China does want to rise- and wants to be acknowledged as such - the Deng dictum of 'hide your capability and bide your time' has now largely gone the way of history. Lieberthal observes that the "…American leaders, as quite distinct from the American scholars and pundits, tend not to think in terms of grand theories of hegemonic power transition…" This is partly because they are not students of IR theory (this is a serious deficit in the Indian Foreign Service as well, and in my view this explains the kind of gaps that we have in some of our thinking). *The*  *Clash of Civilisations* or the other overarching structural explanations of global politics, focus more on concrete issues.

Lieberthal then observes that "...the fundamental US attitude towards Chinese rise is that a wealthier China playing a larger role in the world is welcome on the condition that China seeks to be a relatively constructive player in regional and global issues." This is as patronising as the Americans telling us that we would do well to be on the side of international opinion on a number of issues. Furthermore,, "... the US on balance no longer regards China as a developing country, especially given the PRC's overall GDP and extraordinary foreign exchange reserves." This does very clearly address the issue of what is economic power, which has little to do with per capita GDP. It is reflective of the overall capacity to influence global economic dynamics and by those standards, China is an economic power.

The essential point in this Report should drive us to revisit our own thinking in terms of the China-India strategic distrust, which is also fairly substantial and perhaps there is a need for this kind of an Indian-Chinese document to look at our issues of strategic distrust. As emerging states, both India and China have some common shared interests. Both in some ways, have a parallel regional agenda, in the sense that each wants a larger role on the world stage. Arguably perhaps, China more than India is also interested in denying a place to the other emerging power. Both are traversing socio-economic transformation, that is mutually relevant, with many similarities and hence also comparable. Furthermore, similarity of positions on vital global issues figures as a common agenda, for both the powers. There is vast untapped potential in mutual trade, investments and technology exchanges. Neither side views the growth of other (in terms of bilateral economic or mutual exchanges) as a zero sum game, although there is a potential for this to happen.

When comparing China and India, it is obvious that China is a decade ahead of India on the growth curve. It views India as a latecomer and inferior in direct mutual comparison. However this disdain has been moderated in recent times. Secondly, India appears to be hesitant about exploiting its 'democracy' card in any meaningful way. It fails to factor in its calculations that the success of Indian democracy, intrinsically challenges China, domestically, at its weakest point. The third aspect is a putative New Delhi Consensus and/or Mumbai Consensus, which potentially poses a challenge to the notion of a Beijing Consensus. This involves both, a potential scramble and maybe cooperation, for resources in some common areas.

But to tackle the sources of mutual distrust, we really have to go to the core issue. The sharp deterioration in the India-China relations in 1959 culminated with the border war and contributed to China's misperception about India's intention in Tibet. We have always underestimated the impact of the Indian position on Tibet on China, just as the Chinese have consistently misunderstood the traumatic consequences of 1962. There is a gross insufficiency of mutual dialogue between India and China. The Brookings Report talks about sixty official annual ongoing dialogue processes between China and the US. In the context of India and China, there are hardly four or five annual dialogue processes. Looking at our new problem areas, we have a \$ 70 billion bilateral trade, which cloaks a yawning trade deficit for India to the tune of \$25 billion or more. There is no obvious evidence of corrective action on China's part and Indian investors in China perceive a blockage in terms of winning orders in that country. Around five lakh Indians visit China every year but the number of Chinese coming to India is barely 100,000. All kinds of good reasons are given of course. There are sizeable but manageable differences of views that need

to be addressed between the two countries, for instance, the Chinese demand for Indian recognition of its status as a market economy, which we donot look into, very seriously. I am in agreement with the point made by Sanjay Chaturvedi, that we do need to look at this relationship in geostrategic terms and perhaps rethink the way in which we look at each other. The Indo-Pacific issue is also an interesting framework which deserves more attention.

## **Manoranjan Mohanty**

The present discussion on the Brookings Report among this group of Indian academics and diplomats, can be assessed in terms of a major contribution, namely, not falling prey to the terms of discourse laid down in the Report. This is extremely significant because the Brookings document appears to set the terms for global discourses, such as the central concept of 'Strategic Distrust'. Every contributor here critiqued some of the conceptual formulations/designs underlying the document. This document gives a limited meaning to strategic, albeit it talks in terms of long term prospects. Even in the explanatory introduction in the main document, only that limited meaning comes out and persists. But it is strategic, more because it involves the critical governing factors that affect every dimension of state policy. Interestingly this trust discourse applies to India and China as well. In the last ten years, many Chinese scholars have told us very often, that there is trust deficit between India and China.

This 'trust' or 'distrust' discourse, which has now dominated IR discourse particularly at a journalistic level, has gone into policy-making level also. Fortunately the scholars remain sceptical. The trust-distrust and trust-mistrust framework is by definition a zero-sum framework, which does not easily capture the entire gamut or the whole range of possibilities of interaction at various levels. The authors of the Brookings Report have taken the easy course by maintaining that this is the broad spectrum of policy makers' views in China and the US, even though Lieberthal also specifies that there is institutionalised distrust from Congress and various other national agencies. On the other hand, Wang Jisi, who is easily one of the best minds in the Chinese IR discourse community, has summed up the IR perspective of the Chinese elites, as more of a governmental or the political establishment's plea, to project the Chinese viewpoint to the Americans and the world, specifically reasoning out the causes of the existing problems. However, this is not the scholarly perspective of Wang Jisi that we know - he has come to the Institute of Chinese Studies, Delhi and has interacted with us many a times - and he clearly recognises the nuanced spectrum of this subject.

The discourse around China's transition has evolved over the last decade, from the 'rise of China' to 'peaceful development' and after 2008, when they told the rest of the world that they are self-conscious about being a rising power. This is a conscious projection, one of a variety of self perceptions – and as Varun pointed out - all those dimensions are operating - Deng Xiaoping's maxim of *tao guang yang hui*, to lie low and bide time is not over yet. As Alka rightly pointed out, the Chinese are definitely benefitting from the current status quo therefore the more you lie low the better – they are lying low in many respects - but the principle of lying low runs into contradictions because at the same time, on issues like Syria, Iran and others, the Chinese responded in a prominent way, after much pressure from the western governments. Wang Jisi

points out all those dimensions. Therefore, my first point is a rejection of the concept of this 'strategic distrust'. I think there are far better frameworks and everyone here mentioned this.

Secondly, when examining the trajectories and processes of major events in a global historical perspective - not only from the 19<sup>th</sup> century, but from 17<sup>th</sup> century (the modern postindustrial revolution world history and imperialism) and from the post-World War II world reasserting itself throughout the globalisation period, through the last 25-30 years - to 9/11 in recent times and onwards to the 2008 economic recession- these are symptomatic of changes taking place globally. There is a challenge to hegemonism of many kinds, in many spheres and in different ways, which unfortunately is not captured in this document. The European civilization that defined the ideals for the world in the last three hundred years is now questioning itself and this has spread to other powerful blocs like the BRICS countries. In the context of the new global history that is unfolding, the BRICS are the midwife of this great civilizational transition from the past three hundred to the next hundred years. The BRICS countries are not the alternative to the twentieth century development model because their leaders are also part of the same European system, wherein similar security dimensions, the industrial revolution model etc, are sought to be successfully replicated. If the BRICS countries fail, they will be replaced by other models that could perform the same role. So therefore, the global historical process that is unfolding is just not captured in this document.

My second point pertains to the contrived duopoly of management of the world, which is unfolding in this document. The American policy is restated that it has to maintain and enhance its leadership in Asia. The objective of US policy is to engage in Asia without allowing Asia to manage itself, and to halt that process of self- management and would like to include China as a partner in this management system. This applies to other parts of the world which, although not discussed in this document, makes the approach evident. However, the contrived duopoly, by its very nature, would not succeed as it is under challenge everywhere. The G2 as a concept, is located in the minds of the US State department, the Pentagon, the Advisory Council in Congress and some other similar spheres. Likewise in China there is a G2 mind set in some of the critical think tanks and government agencies. Robert Zoellick's proposal that China should be a 'responsible stake holder' in the world system was taken by seriously by Beijing six years ago and since then the Chinese have acted cautiously in portraying the image of a 'responsible stakeholder' to the rest of the world. Hillary Clinton has urged India to be a responsible stakeholder in the world system as well. Therefore this is the discourse that the US would want the rising powers to adopt.

The third and last point – which everyone has spoken about - discusses India's three options. These three options are distinct and have great votaries among the national leaders and within the Indian foreign policy establishment. The first option is to align with the US and take advantage of the present situation. Second, to create the Indian version of *tao guang yang hui* -to lie low and to focus on the economy, domestic policy and social issues and foreign policy. The third one is to create a scenario of strategic independence and to take advantage of the multiple opportunities that present themselves in the world. The recently published *Non Alignment 2* attempts to explore such opportunities, but, to take a critical view, it is a highly timid document, despite being formulated by some of the brightest and imaginative intellectuals of the Indian state who came together and coined the term. They had the courage to use the term 'non-alignment' - but if we look at each section, especially the China section, the document is not a reflection of a confident people. The least that we expect from the intellectuals is that, despite the numerous

burdens, they formulate a discourse refelecting the Indian self-confidence, thanks to Indian democracy and the people's movements which are strengthening the democratic system, locally and globally.

Therefore India's strategic independence/autonomy should enable it to make full utilisation of the multiple regional formations and multilateral forums to build a more democratic, equitable and more just world, whether it is in the WTO negotiations, the Doha round, the information order, the cyber order and so on. In fact this is where China is taking the back seat. India can seize this opportunity. Indian values since its struggle for independence could help redefine the global order in the 21<sup>st</sup> century that will capture the new global process of democracy and a new world order, where small nations from Africa and Aisa and Latin America will look to India's original concept of the Non- Alignment and Panchsheel as a guiding light.

## Discussion

This section attempts to encapsulate the issues and aspects around which the discussions were focussed. No particular view is being attributed to any individual, unless it has a direct bearing on their presentation.

### 1. <u>Trust</u>

The terms 'trust', and/or 'distrust', strategic or otherwise, are largely used by the political elite or the media - 'trust' is rarely employed by people in the business world. Trust has an absolutist character, which connotes that one can either have it or not have it. There are no variations possible in this. The business world prefers to use the term 'confidence', which is separable, measureable, and distinguishable. By using the word 'confidence', business people can change the dialogue and make things manageable by taking action. Misperceptions and misunderstandings are addressed and thus made manageable, through communication. Whereas framing it in terms of trust/distrust and especially prefixing it with the portentous term strategic, which is now used *ad nauseum*, makes it even weightier because strategic gives it a dimension in time and trust lends a dimension of almost genetic inter-determinacy.

The *raison d'etre* for the US to espouse the 'Strategic Distrust' standpoint is an exercise in the management of image and influencing of perceptions when it pivots around South Asian nations' views and moulding them. Therefore, their view of their neighbours and others might change as well and they might be motivated to befriend the far, rather than the near.

The Chinese word *huyi* (互疑), translated as 'mutual suspicion', is significant because suspicion is dependent on a particular action or a particular event which is capable of being corrected; trust is a much deeper situation. Interestingly, the title of the published Chinese version of the Brookings Report, "中美战略互疑: 解析与应对zhongmei zhanlue huyi: jiexi yu yingdui" -when translated is US-China Strategic Distrust: Analysis and Responses; whereas the English title is "Addressing US China Strategic Distrust".

Viewed from the social context, trust is about social capital, manifested supremely in the act of charity. In security studies the element of trust is utilised in restricted conditions, e.g. trusting allies in a security community. Trust in international relations is maintained in a condition of a being part of a security community, predisposed to identifying, analysing and viewing relationships of vulnerability and of shaping the environment. There is unease in the term 'Strategic Distrust' because it has to do with confidence building, which is a term often used in international analysis.

## 2. <u>US-China Strategic Distrust</u>

- Within China today, there are two major ongoing debates –first, is the U.S weakening, and secondly, what is the way forward? Some vital issues of the current times have been excluded in the document especially global recession and weakening of the US economy after the 2008 economic recession and China's vital role as a creditor to the developed nations. There are those who say the US is on a decline, but it will continue to be ahead of China in technology and manpower expertise for the forseeable future. China's view on its global role continues to draw inspiration from 'tao guang yang hui'. Some western scholars have argued that the Chinese are still interested in keeping a low profile they would not like to adopt a high profile role as that would mean more global responsibilities.
- The underlying assumption of the Report is that there is distrust in the relationship between the two powers. However, if there is greater predictability in their relations, the distrust can be mitigated.
- There are numerous discussions on China's global strategy and international relations, but its domestic issues largely remain ignored. The focus is more on China's diplomatic relationship with the United States, India, Europe and its military strength. These would not give a holistic representation of China's behaviour and we also need a clear understanding of its huge domestic problems.
- $\triangleright$

#### 3. Strategic Culture

Historical perspective is an important tool in comprehending the particular strategic culture of any country. For example, India's non alignment policy is one such historical reflection of its highly-valued commitment to strategic autonomy. On the other hand, the US always had an antagonist, if not an enemy, to further its strategic designs. Likewise China has its own perceptions related to its status in Asia, though not in a forceful, proactive doctrinal manner like the US.

The American perception of strategic culture, wherein security is reduced to the traditional notion of power, with overwhelming focus on the manipulative military power of the country, runs into the danger of being extremely reductionist in nature. The plurality of varied strategic cultures is better understood by considering aspects like political economy and history, which provide a broader perspective. In this context, the multilateral formations, if taken seriously, would potentially add to the perceived strategic designs.

On the issue of strategic culture, it makes sense only if you try to understand each other. It is the way in which the scholars seeks to understand each other. In the Report, there are gaps regarding the political traditions, value systems and cultures of the two bodies politic, for example about how the US strategic culture is characterised by moral exceptionalism and manifest destiny related visions, whereas the Chinese strategic culture encompasses 'frontier mentality' related visions, These strategic values and geopolitical visions are important for any critical assessments.

## 4. <u>Strategic Balancing between US, China, India and other powers and Cooperative</u> <u>Regional Security</u>

There could be a systemic hegemon that has an offshore posture but keeps itself away from engaging in power balancing issues on a land mass not sufficiently threatening to it. The notion that China is a continental hegemon is a contested one. Asia for a very long time, since the European colonial period, has not really been a region. It was a continent. The rise of China has converted this land mass into a region, in the sense that there are now a horde of different security inter-dependences that are being created. Thus Asia the continent, is becoming Asia, the region. Whether Chinese power, relative to the other powers in this massive land mass is ever going to reach the level that could be called hegemonic, can be seriously debated.

In a situation where the United States is engaged in more trade with Asia than with Europe or with any other part of the world and China is clearly a rising power, any threat to the status-quo and therefore its hegemony and its influence in the region, would clearly not be allowed. Unlike the Euro-Atlantic situation, United States is 'the Pacific power in the Asian region. However there are also diverse developments and political processes taking place in Guam, which is pushing for statehood and realizing the Mahathir dream to have a caucus without Caucasians. However, the US presence in the Asia-Pacific is irrevocable and at the same time indispensable to maintain the 'regional balance'. As this region is the most multi- racial part of the planet, the Asians have to learn to live and roll along with it. At the most the Asians could try to Asianize the Americans which is a task by itself, in the context of the relative decline of the United States although it may not be such a difficult task in cultural terms.

China's territorial disputes in the South China Sea Islands, Spratly Islands and the growing clashes with Japan over the other group of islands, the Senkaku, have been interpreted by regional powers, including India, as the manifestation of its growing power and military presence. The Chinese on the other hand, harbour suspicions that India is building relations with the US to contain China. Therefore, to dispel these mutual suspicions there is need for a greater role of public diplomacy wherein intensive and open dialogue between India and China are conducted at various levels.

Within the ambit of this strategic distrust between US and China that is playing out in the Indo–Pacific region and Indian Ocean region, it would be in India's favour to have a national maritime doctrine spelt out not only by the Defence Ministry of the Government of India, but also by the Ministry of External Affairs. The problem with regard to India's strategic environment today is that our doctrines – and consequently their articulation- are becoming maximalist in nature. There is, at its core, a lack of moderation. In the adoption of a naval doctrine, it is important to identify and choose between a doctrine of sea control or a doctrine of sea denial. The predominant strain of the Mahan-ian thinking is the chief feature of the Indian Naval strategy, and by implication therefore, the country's maritime perspective as well. The Mahan-ian approach privileges 'sea-control' over 'sea-denial' strategy. The reason is important and not simply archaic and has clear structural implications. If the strategy of sea control is to be adopted, then the aircraft carrier is the preferred platform; on the other hand, if the strategy of sea denial is to be chosen, the submarine is the preferred platform. The question of the specific strategy to be adopted becomes a core national security issue because it takes at least twenty five years to build a navy.

The Report 'Sustaining US Global Leadership: Priorities for 21<sup>st</sup> Century Defence' which was released in January 2012 by the Department of Defence of the United States, is an important document in the context of the United States' desire to remain the largest security exporter, since it refers to the enlarged Indian Ocean region. It not only raises immediate concerns about strategic autonomy and strategic independence, but also reflects on the altering cartographies within the region. The analogy to this geopolitical shift (with renewed focus on Asia) can be seen in the presumed and much argued changeover from Pax Americana to Pan-American ideology.

There are different ways of construing the Indo-Pacific concept, and as far as the Australian strategic community's reading of the issue goes, placing Australia right at the centre of the Pacific and Indian Oceans is one of the possible ways to solve this 'orientation' dilemma. As for India, going beyond the straits of Malacca and engaging closely with South China Sea would give the desired results. It would be further useful to see how China reads into the Indo-Pacific concept.

Observing the security architecture of Asia, the formation of co-operative security community in the Asian region is as much a possibility as it was once in Euro-Atlantic region. The rise of China and the arms race in the region has given rise to a mesh of conflicting interdependencies and cooperative security organisation is one of the best ways to mitigate the security dilemma in the region. Since the historical movements across Asia aimed for political modernity, which in turn puts the realisation of sovereign territorial state and its ambitions for more power and resources in the forefront, co-operative security community becomes the need of an hour.

There is also a geo-strategic hesitation and a sense that India is taking too many cues from China. Maybe what China is doing does not make sense either and the problem may be both these countries could be adopting policies which fundamentally may be in contradiction with certain geo strategic realities. China and India are essentially continental states and if there will ever be an authentic sea power in Asia, it will be Indonesia Once it is able to develop its domestic economy and bring about national consolidation, Indonesia has strong potential for becoming a major maritime power.

Other than history, mini-laterals provide important understanding of the security dilemmas in the region. In this context India should become a part of the various existing security dialogues and should work towards maintaining an independent maritime doctrine in order to successfully handle the multiple security architectures of the region. Therefore to think strategically, India needs to develop a politico-strategic identity other than a cultural identity.

The oft-debated issue of "declining America" does not hold water as long as its growth rates do not come down to the point of altering the systemic balances. Hence any decline has not only to be historicised but also contextualised and understood in relative terms.

## **The Participants**

**Vinod C. Khanna** is an Emeritus Fellow and a former Director of the Institute of Chinese Studies. As a member of the Indian Foreign Service, he served as India's Ambassador to Cuba, Indonesia and Bhutan besides diplomatic assignments in China. He was the first head of the India Taipei Association, which looks after India's interests in Taiwan. He was educated at Bombay and Oxford, and has been associated with Harvard University as a Fellow and Delhi University as a Visiting Ambassador. A Founder member of the China Study Group, he was for many years a member of the Editorial Board of *China Report*. He has co-authored *Ramayana in Indonesia* and *India and China: The Way Ahead*. His special areas of research are China's Foreign Policy and traditional cultural interactions between India and Southeast Asia. He is also working closely with an NGO involved in the education of the children from economically challenged background.

Varun Sahni is Professor in International Politics at the School of International Studies, Jawaharlal Nehru University, New Delhi. He is the Editor of South Asian Survey and lectures at the National Defence College and the Foreign Service Institute in New Delhi. He has also lectured at the College of Naval Warfare, Mumbai; Army War College, Mhow; Royal Naval Staff College, Greenwich; Australian Defence College, Canberra; and the Lal Bahadur Shastri National Academy of Administration, Mussoorie. Before joining the JNU faculty in 1995, Varun Sahni was Junior Research Fellow in Politics and Junior Dean at Lincoln College, Oxford; Resident Fellow of the Rajiv Gandhi Institute for Contemporary Studies, New Delhi and Reader in Latin American Politics at Goa University. He has held visiting fellowships/professorships at Sandia National Laboratories, Albuquerque, New Mexico (1997), CIDE, Mexico City (1997-1999) and the National Defense University, Washington, DC (2003), the last under the Fulbright Military Academies Initiative. Professor Sahni has been "Personnalité d'Avenir" at the French Foreign Ministry (1995) and was a Member of Mexico's Sistema Nacional de Investigadores [National System of Researchers] (1999-2002). He serves on the editorial boards of many prominent international journals. In recognition of his "outstanding achievements in research and teaching", he was awarded the VKRV Rao Prize in Social Sciences for the year 2006.

**C. Raja Mohan** has a master's degree in Nuclear Physics and a Ph.D. in International Relations. Earlier he was a Professor of South Asian Studies at the Jawaharlal Nehru University, New Delhi and the Nanyang Technological University, Singapore. He was the Henry Alfred Kissinger Chair in Foreign Policy and International Relations at the Library of Congress, Washington DC during 2009-10. Dr. Raja Mohan served as the Diplomatic Editor and the Washington Correspondent of *The Hindu* and the Strategic Affairs Editor of *The Indian Express*. His books include, *Crossing the Rubicon: The Shaping of India's New Foreign Policy*(2004) and *Impossible Allies: Nuclear India, United States and the Global Order* (2006). His new book on Sino-Indian rivalry in the Indo-Pacific, in now in the press. Presently he is a Distinguished Fellow at Observer Research Foundation and is leading the Strategic Studies Initiative of the Foundation. He is also a foreign affairs columnist for *The Indian Express*, a Visiting Research Professor at the Institute of South Asian Studies, Singapore, and a Non-Resident Senior Associate at the Carnegie Endowment for International Peace, Washington DC. He is currently a member of India's National Security Advisory Board and has served there earlier during 1998-2000 and 2004-06.

**Chinatamani Mahapatra** is Professor at the Centre for Canadian, US and Latin American Studies, in the School of International Studies, Jawaharlal Nehru University, New Delhi. He has over thirty years of research and twelve years of teaching experience and has participated extensively in track II diplomacy. He was Fulbright Scholar, Commonwealth Scholar, Foreign Policy Fellow, University of Maryland, Visiting Fellow, Australian Defense Studies Centre and Salzburg Seminar Fellow. His areas of interest include American Studies, US foreign and national security policy, international security, Asian security and globalization studies.

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**Alka Acharya** is currently on deputation as Director and Senior Fellow of the Institute of Chinese Studies, Delhi, from the Centre for East Asian Studies (Chinese Studies) School of International Studies, Jawaharlal Nehru University (JNU) where she is Professor and former Chairperson. She has been teaching courses on Chinese Foreign Policy and Political Economy to the Masters and M.Phil students and guiding doctoral research since 1993. She is the Editor of *China Report*, a journal of East Asian Affairs since 2005. She is the joint editor of the book *Crossing A Bridge of Dreams: 50 years of India-China*, published in 2002, has contributed chapters to many books and regularly features in the *Economic and Political Weekly*, published from Mumbai, India She was nominated by the Indian government as a member of the India-China Eminent Persons Group (2006-2008) and was member of the National Security Advisory Board (2006-2008) of the Government of India. She has authored a book *China & India: Politics of Incremental Engagement*, published in 2008. She was reappointed for a second term on the National Security Advisory Board (2011-2012) Her current research focuses on India-China-Russia Trilateral Cooperation and the Chinese strategic response to the post-cold war politico-security architecture, with special reference to China's neighborhood.

Leela K. Ponappa is a former Ambassador of India, Deputy National Security Adviser, and Secretary of the National Security Council Secretariat. She was elected Co-Chair of CSCAP (Council for Security Cooperation in the Asia Pacific) in June 2012. Her ambassadorial assignments have been to Thailand, UNESCAP, the Netherlands and the OPCW (Organisation for the Prohibition of Chemical Weapons).As a career diplomat in the Indian Foreign Service from 1970 to 2006, she has worked extensively in the Ministry of External Affairs on security issues; India's relations with its neighbours, as Desk Officer for Pakistan & Afghanistan and Divisional head for SAARC (South Asian Association for Regional Cooperation) and subsequently, for bilateral relations with Bangladesh, Sri Lanka, Myanmar and the Maldives; and regional cooperation. She has served on the faculty of the National Defence College, New Delhi and after her tenure as Deputy Consul General in San Francisco, was a Research Associate at the Centre for South and South-East Asian Studies at the University of California, Berkeley. Following her retirement from the Foreign Service, she was Vice Chairperson of RIS (Research and Information Systems, New Delhi), an economic think tank in Delhi, from 2007 to 2010.She served as Deputy National Security Adviser from 2007 to 2009. She is an Executive Committee member of the Institute for Peace and Conflict Studies, New Delhi and a trustee of the Delhi Policy Group. She is a frequent speaker at conferences on international and regional issues, national security and regional economic cooperation, and lectures regularly at defence institutions.

**Kishan S. Rana** graduated in Economics (BA Hons and MA) from St. Stephen's College, Delhi University, and served in the Indian Foreign Service from 1965 to 1995. He was India's Ambassador/High Commissioner to Algeria, Czechoslovakia, Kenya, Mauritius, and Germany, and was on the staff of Prime Minister Indira Gandhi in 1981-82. He currently holds positions as Professor Emeritus of DiploFoundation, Malta and Geneva and is an Honorary Fellow at the Institute of Chinese Studies, Delhi. He is also an archives by-fellow at Churchill College, Cambridge, and Public Policy Scholar at Woodrow Wilson Centre, Washington DC. He serves currently as guest faculty at the Diplomatic Academy, Vienna, and was a Commonwealth Adviser to the Namibia Foreign Ministry in 2000-01.His books include: *Inside Diplomacy* (2000); *Managing Corporate Culture* (co-author, 2000); *Bilateral Diplomacy* (2002); *The 21st Century Ambassador* (2004); *Asian Diplomacy* (2007); *Diplomacy of the 21st Century* (2011);*India's North-East States, the BCIM Forum and Regional Integration*, (co-author, 2012) and was the co-editor of *Foreign Ministries* (2007) and *Economic Diplomacy* (2011). He is currently working on two books on diplomacy and a study titled *Churchill and India*.

**Manoranjan Mohanty** is a Political Scientist and a China scholar with many publications on theoretical and empirical dimensions of social movements, human rights, development experience and regional role of India and China. Currently Chairperson and Honorary Fellow, Institute of Chinese Studies, Delhi and Professor of Social Development at the Council for Social Development, New Delhi, he retired in 2004 as Professor of Political Science at the University of Delhi where he taught since 1969. He is Editor of *Social Change* and a former Editor of *China Report*. Active in the human rights and peace movement he is closely associated with the People's Union for Democratic Rights and the Pakistan-India People's Forum for Peace and Democracy. His recent publications include *Grass-roots Democracy in India and China* (co-editor, 2007), *India: Social Development Report 2010* (editor, 2010), *Weapon of the Oppressed: An Inventory of People's Rights in India* (co-author, 2011), *Land, Equity and Democracy* (co-editor, 2012), and *China's Success Trap: Lessons for World Development* (Forthcoming), also the entry on "Marxism and Neo-Marxism" in *The Sage Encyclopedia on Global Studies* (2012) and the entry on "Maoism" in the *Macmillan Reference Encyclopedia on Race and Racism* (2013).

# **ABOUT ICS**

The Institute of Chinese Studies, Delhi, one of the oldest multiand interdisciplinary research institutes on China in India, seeks to promote research in areas of history, culture and literature, society, international relations, the economy and polity of China and East Asia. It leads public discourse with regard to India-China relations and facilitates new research in diverse areas. Its chief objectives are to build a national network of China and East Asia scholars, enter into international collaborative programmes for comparative research and expand the frontiers of the study of China in India. It seeks to provide informed and objective inputs in policy formulation through its various publications. These include:

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