



**CHINA'S DEFENCE MODERNISATION, RESTRUCTURING AND POSTURING IN
THE COVID ERA: IMPLICATIONS FOR INDIA AND RECENT DEVELOPMENTS
ALONG THE INDIA - CHINA BORDER**

Speakers: Lt. Gen. S L Narasimhan (Retd.),

Director-General, Centre for contemporary Chinese studies.

Member, National Security Advisory Board, India.

Lt. Gen. D S Hooda (Retd.),

Former GOC – in – C,

Northern Command, Indian Army.

Chair: Amb. Ashok Kantha,

Director, Institute of Chinese Studies.

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Venue: Zoom Webinar

In the context of the ongoing COVID – 19 pandemic, and the recent intrusions and standoff on the India - China border, the Chair Amb. Ashok Kantha held a conversation with Lt. Gen. D S Hooda (Retd.) and Lt. Gen. S L Narasimhan (Retd.) discussing its impact on China's ambitious defence modernization and their implications to India. The conversation began with the Chair questioning Gen. Narasimhan on the progress of military modernization under the policy framework adopted at 19th National Party Congress held on October 2017. The framework for the military included:

- Becoming a mechanized force with increased informatized and strategic capabilities by 2020.
- Achieving a status of fully modernized force by 2035.
- Becoming a world-class military force by 2050.

Referring to the 2020 agenda, he continued to question the impact of the pandemic to modernization in the short run. Gen. Narasimhan responded by laying down the facts that the update of earlier timeline [mentioned in a 2006 Defence White Paper] to reflect the above in 2015 by Xi Jinping resulted in the achievement of a reorganization of Central Military Commission, and the creation of theatre commands and strategic support force by 2017 [as per schedule – First half]. This was to be followed by the informatization process until 2021[Second Half]. However, he commented that there is negligible disruption by the pandemic owing to progress achieved.

The Chair then questioned Gen. Hooda, recalling the NPC session, he noted the disparity of military budget owing to it being smaller than previous budgets of three years. However, they are significantly higher than the likely receded 2020's GDP growth rate at 1.2%; he continued if there are any implications on the activities of the PLA by the downturn of Chinese economy due to pandemic. Gen. Hooda, while broadly agreeing to Gen. Narsimhan's view on the negligible impact of the pandemic, noted that it is the technological decoupling between US-China rather than a monetary issue that is of concern. This is due to the denial of access to hi-tech technologies for Chinese telecoms by the US; could head towards potential technological warfare.

The Chair noting the issue of decoupling between the two nations, questioned Gen. Narasimhan if these events have an impact on the second agenda i.e., modernization or if the trajectory is heading towards the discourse of self-reliance by 2025 quorum of the Chinese. Gen. Narasimhan provided context on the military budget by noting that for the year 2019, it was \$168.2 billion and catering the GDP rate at 1.2% and inflation of 3%, this year expected budget was \$175 billion [as opposed to allocated \$178 billion], noting the sufficient financing to the military activities. Another aspect he noted is that indigenized production gives their equipment 'value for money' unlike India's loss of money by foreign exchanges due to the heavy reliance on imports. He added that there might be a minor delay, however, to tackle the decoupling - the country is in process of indigenization of IT equipment and systems with the semiconductors being sourced from the Huawei. Furthermore, he pointed out the significant milestones achieved by the Chinese towards quantum technologies and AI implying a trajectory towards self-reliance in progress.

The Chair, then noted the possible gap in military capability abilities between India and China, due to the disparity within the Defence budgets with the latter being four times the former. He then questioned if this has been aggravated by the pandemic. Gen. Narasimhan responded by pointing out the trend of economical growth before the pandemic and the unsatisfactory performance of “Make in India” leading to a growing asymmetry between the countries; however, there is steady progress in India’s indigenization process. Notwithstanding the point, the modernization process has enabled the western theatre command to manage Indian borders and 60% of the Chinese territories – leading to management issues. But the PLA strategic support force and rocket force can mitigate some of these issues through their space capabilities, informatized warfare and advanced warhead abilities, respectively. Nevertheless, the threats are not immediate due to difficulties in training pilots for the complex terrains. However, IOR is of concern due to the progress of naval activities, acquisition of ports and creation of bases. The chair then asked for opinions on the viewpoint that the pandemic has given a strategic advantage enabling the assertiveness to Chinese intent and embodiments owing to their early mitigation of the virus transmission. Gen. Narasimhan disagreed with the view pointing out the PRC’s response towards Hong Kong issue and the developments before the cross-strait relations before the pandemic.

The conversation moved on to the latest Chinese incursions across the India – China Border, he questioned if the situation of the recent incursion is according to the viewpoint of being “different and worrisome”. Gen. Hooda responded by agreeing to the viewpoint, speaking from his experience as the Northern Commander at Galwan Valley, he noted the “preparedness in the use of force”, patrol mannerisms, unlike the previous periodic faceoffs. Another key difference is the ambiguity behind the recent incursions unlike the locally triggered previous standoffs posing a significant concern. Gen. Narasimhan also agreed on the same viewpoint, adding that the current faceoffs are “geographically spaced out” and assertive, with unprecedented increased troop movements compared to the previous years on the same timeline, indicating a planned attempt on orchestrating the faceoff.

Responding to the query on possible motives behind such developments, Gen.Hooda commented that more than the infrastructure developments within the contended region, there is a need to focus on the larger messaging agenda from the Chinese end to Indian actions. According to Gen.

Narasimhan, the incursions might be a reactionary response to the ambiguity of infrastructure developments from the Indian side. The Chair then brought up the issue of resolution if the trajectory is towards escalation or de-escalation of the issues. Gen. Narasimhan opined on the fact, except for Global Times and certain Twitter activities, there are no significant media flareups on the issue from both the countries. Additionally, constant high-level talks and the cautionary miffed response from the spokesperson of Chinese foreign ministry indicates the trajectory of non-escalation of the issue. To this, the Chair intervened by inquiring if the root cause of the issue was the lack of clarification on the border from the 1996 India-China agreement. While Gen. Narasimhan called for clarification at the unstable LAC, Gen. Hooda, additionally provided perspective by confirming the same that differing perspectives on LAC have resulted in frequent coercions and incursions and faceoffs. He considered this an issue of concern, opinionating that the current protocols are frequently violated, calling a fresh perspective on the same.

The Chair posed an important question of the impact of these developments on India's security with the growing asymmetric capabilities between the nations. Gen. Hooda responded that there is still a significant infrastructural gap on the Indian side despite closing the gap at some levels. However, to compensate for the lack of infrastructure by creating a strong defence in the LAC and the establishment of strong tactical airlifting capabilities that can move entire armoured regiment. Agreeing on the issue, Gen. Narasimhan pointed out the terrain difficulties for the implementation despite government effort.

This conversation later opened up to questions from the audience, with questions regarding the nature of “pressure” in the escalations despite the fact that long-term Chinese policy frameworks are directed towards the US rather than India. Gen. Hooda clarified the stance by referring to the “pressure” being the larger geopolitical events influencing the actions towards its hegemonic stance rather than policy frameworks. However, Gen. Narasimhan provided a counterpoint referring to the “pressure” being the events at LAC region independent of the state-level engagements. On whether the establishment of newer protocols amplifies the prevention of such stand-off, Gen. Narasimhan responded that efficiency over new measures ensures the engagements. Following the response, another question was raised if the escalation can be resolved through demarcation of territory in an as-is-where-is situation (due to the failure of past

engagements). The panelist responded by ruling out demarcation of territory citing it as a broader independent issue. Regarding the need for an offensive capability for India to compensate for the asymmetric capability between the nations, Gen. Hooda noted that there is a need for offensive capability and its existence within the Indian defence strategies. However, he pointed that the engagement is based on the landscape of future warfare and there is a lack of strategy to counter the strategic capabilities of the Chinese, therefore, one must adhere to the situation. Moving further, the final question was raised if there is a similar pattern of Chinese engagement in the South China Sea and LAC, Gen. Narmisimhan remarked both events are independent and are dissimilar.

The Chair concluded the conversation by mentioning the key takeaways that COVID – 19 has a negligible impact on the trajectory of restructuring of the PLA and its military modernization. As for the border escalations between India and China, the issues are complex, as the current issue is different from the routine incursions of the modern past. However, he noted the optimistic outcomes expected from the panelists.