

MODI VISITS US: HOW CHINA INTERPRETS?

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



Introduction

Notwithstanding the growing relevance of China in the U.S.-India equation, during Indian Prime Minister Narendra Modi's visit to the United States between June 22-24, 2023, China was not explicitly mentioned; rather, analysts described China as the 'ghost at the U.S.-India feast'¹ and an 'elephant in the room.'² However, before the Indian PM visited the U.S., the diplomatic flurry in New Delhi made no secret of the fact that countering China was the key driver of the deals and agreements being stitched between the U.S. and India.³ The growing alignment between the U.S. and India has been a concerning subject for South Asian security and stability. While China did not mind U.S.-India cooperation aimed at peace and development, it has opposed any schemes targeting China and undermining regional stability. Chinese experts stressed China's economic

1 Stephen Collinson, "China was the ghost at the US-India feast," *CNN*, June 23, 2023, <https://edition.cnn.com/2023/06/23/politics/china-us-india-state-visit/index.html>.

2 Ashutosh Varshney, "Indian Democracy's Liberal Deficits not Deal breaker," *Indian Express*, <https://indianexpress.com/article/opinion/ashutosh-varshney-indian-democracys-liberal-deficits-not-dealbreaker-us-8685407/>,

3 Ashok Sharma, "US Defense Secretary Discusses Upgrading Ties with India to Counter China," *The Associate Press*, June 5, 2023, <https://apnews.com/article/india-us-austin-defense-9a5d63097acf0957aa640ae186aaa0c3>.

and military superiority compared to India, and assumed that the U.S.-India relationship against China would not go too far owing to India's professed 'non-alignment' and quest for 'strategic autonomy.' Mostly, the treatment of PM Modi's visit to the U.S. in China remained a low-key affair due to the following reasons.

Neither 'Pawn' nor 'Cannon Fodder'

Firstly, the Chinese commentators seem to believe that India will be unwilling to act as a 'pawn' of any major power. Chinese experts believe that the U.S. has tied India to the chariot of containing China and even hopes India could become a vanguard of containing China. According to Zhao Gancheng, a Research Fellow at the Shanghai Institute for International Studies, if India accepted the wooing of the U.S. to act as a geostrategic pawn, it would need to sacrifice its strategic autonomy and national interest.⁴

In another instance, Chinese experts stated that despite the mutuality of U.S.-India interests and collaborations over critical technology, India would not want to serve as 'cannon fodder' in the U.S.-China tensions. They believe that this was a 'strategic game.' Lin Minwang, a Professor at the Institute of International Studies of Fudan University, explicated that India had accurately grasped the U.S.'s geopolitical mindset. To appease the U.S. mindset, India acted as a strong force capable of countering China, which attracted the U.S., and to win itself over, India stimulated the US to offer high prices.⁵ This showed that Modi's visit to India was more of a frolic adventure to draw offers best suited to its national interest and an attempt to outsmart the U.S.

India's Dependence Dilemma

Secondly, China seemed less agitated by Modi's trip to the U.S. as it is aware that India can neither abandon its ties with China, nor with Russia. Despite the U.S. pressure, it has refrained from condemning Russia. And despite border dispute with China, India has opted to negotiate a resolution of the matter and has continued bilateral trade despite huge trade deficit. India is heavily dependent on technology from China and Russia. The Chinese experts believe that for the sustenance of transfer of technology (ToT) from the

⁴ Liu Zongyi, "Will the US and India be able to work together for long?," *Global Times*, June 24, 2023, <https://www.globaltimes.cn/page/202306/1293089.shtml>.

⁵ "India 'may ask for higher price' as US to woo Modi during visit," *Global Times*, June 20, 2023, <https://www.globaltimes.cn/page/202306/1292947.shtml>.

U.S., such as jet engines, Artificial Intelligence, quantum, space, and so on, high-tech development is paramount for India; however, it is worthy of note that without a strong industrial base, high-tech development lacks a solid foundation.⁶ This is where China offers assistance. In 2022, India imported around \$30.63 billion worth of electrical and electronic equipment from China, which included electronic circuits, micro assemblies, diodes, transistors, and other essentials for a technology base.⁷ The tech deals and agreements that were inked during Modi's trip to the U.S. have further placed India under a 'dependence dilemma.'

Global Supply Chain

Thirdly, Wang Yi, in his article, explained this 'dependence dilemma' by comparing India's exports to the U.S. (\$78.31 billion) and imports from China (\$98.51 billion) as of the 2022-23 fiscal year.⁸ He stated that China-India trade exceeded the \$100 billion mark in 2021, despite the Covid-19 pandemic, and it hit a record high of \$135.98 billion in 2022. He said that the more India exports to the U.S., the more it needs to import from China. This has placed China at the epicenter of the global industrial base and the supply chain. The U.S. assistance to India is to harvest it as a replacement or partial replacement of China. Yi negated this and stated that 'India could replace China's position in the global supply chain' is a false proposition and an unattainable goal of the U.S.-India partnership. He reasons India's weak business environment and industrial supply chain as the main hurdles.

Warnings in the Himalayas and Indian Ocean

Lastly, Chinese analysts are of the opinion that U.S.-India cooperation, especially in the domain of defence and military, could pose a threat to the security and stability of the China-India border region, the Himalayan region, and the Indian Ocean. They believe that it could accentuate the tensions along the border and undoubtedly become a major obstacle to China-India relations.⁹ Among other U.S.-India deals that aimed to out-compete China technologically, the deals that impact China directly were the MQ-9B Reaper armed drone deal that would be employed along India's borders with China and

⁶ Zongyi, "Will the US and India be able to work together for long?."

⁷ "India Imports from China of Electrical, electronic equipment," *Trading Economics*, July 2023, <https://tradingeconomics.com/india/imports/china/electrical-electronic-equipment>.

⁸ Wang Yi, "India's Economic Ties with US cannot Replace its Trade with China," *Global Times*, June 19, 2023, <https://www.globaltimes.cn/page/202306/1292872.shtml>.

⁹ Zongyi, "Will the US and India be able to work together for long?."

the Master Ship Repair Agreements with Indian shipyards in the Indian Ocean. This will allow U.S. Navy to dock in Indian shipyards for repair and maintenance, enhancing U.S. outreach from the Indo-Pacific to the Indian Ocean. The U.S.'s generosity, the Chinese experts believe, raises U.S. expectations for a 'strategic turn' by India.¹⁰ However, they believe that India has only been willing to obtain strategic benefits and would not undertake any obligations as an American 'ally.' Unless the U.S. is willing to keep paying a high price to attract India, the experts believe, sooner or later, the two sides will disappoint each other.¹¹

Conclusion

The Chinese analysts believe that the U.S.-India partnership as 'defining force' of the next century is wishful thinking.¹² While Chinese officials have not spoken extensively about Modi's visit to the U.S., various unofficial platforms have acted as echo chambers to communicate how China interpreted Modi's trip to the U.S. The Chinese experts observed that although during the visit, President Biden and Prime Minister Modi tried to keep China out of the limelight, there was no denying that the two had a China 'threat' on the back of their minds. China's 'threat' has been the bedrock of bilateral collaborations between the U.S. and India in recent years. Chinese experts argue that the world is no longer the same unipolar; rather, multi-polarity has prevailed, and the current trends of international relations and economic globalization can hardly be reversed. Keeping this in mind, China is conscious of recent trends in India's policy and thinks that India will not put all its eggs in one basket. India would carry on balancing relations between the U.S. and Russia-China due to its dependence dilemma. China wishes to continue economic ties with both the U.S. and India; however, it has stressed that unwarranted defence support to India would be detrimental for regional peace and stability and ultimately heighten India-China border tensions.

¹⁰ "US will lose its 'huge bets' on China's neighbouring region," editorial, *Global Times*, June 24, 2023, <https://www.globaltimes.cn/page/202306/1293101.shtml>.

¹¹ "India 'may ask for higher price' as US to woo Modi during visit."

¹² Wan Hengyi, "US' plan to rope in India to serve Washington's purpose wishful thinking: observer," *Global Times*, June 18, 2023, <https://www.globaltimes.cn/page/202306/1292807.shtml?id=11>