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INDIA'S RISE AFTER POKHRAN II

Chinese Analyses and Assessments

Jing-dong Yuan

The South Asian nuclear tests of May 1998 represented a major setback for international nuclear nonproliferation efforts. New Delhi and Islamabad have so far resisted international calls for nuclear restraint and have declined to sign unconditionally the Comprehensive Test Ban Treaty (CTBT) and the nuclear nonproliferation treaty (NPT). Both India and Pakistan are in the process of formulating their respective nuclear doctrines and determining the structure of their nuclear forces; at the same time, the two countries are also moving apace with their ballistic missile programs through a series of test launches. The current standoff along the India-Pakistan line of control (LOC) risks potential escalation to open military conflict. These developments have serious implications for South Asian security.

The May 1998 nuclear tests and the changing South Asian security dynamic significantly affect China's assessments of its own security environment in the face of an emerging and nuclear India, its South Asia policy in general and the relationship with Pakistan in particular, and its relations with India in the coming years. This article reviews and discusses Chinese responses to the Indian nuclear tests and seeks to address three sets of issues. First, the consequences of India's nuclear tests for international arms control and nonproliferation, South Asian security, and Sino-Indian relations will be considered. Second, India's rise as a major power and the challenges this

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poses for China are viewed. Third, Chinese analyses of how to manage the post-Pokhran-II Sino-Indian relationship, given both the common interests they share and the disputes that remain, will be presented.

The discussions that follow draw on the author's interviews of top Chinese South Asia and India analysts, as well as an extensive review of the growing Chinese literature on Sino-Indian relations, regional security, and the implications of a rising, nuclear India for China's security interests. I argue that while the majority view favors the development and maintenance of a stable Sino-Indian relationship, there are also voices expressing serious concerns over the direction and implications of India's policy and ambitions. Both sides see the post-Pokhran developments through a particular conceptual prism that not only influences their perspective on Sino-Indian relations and regional security but also predisposes it to a certain set of policy prescriptions. An understanding of these divergent views, the rationales and domestic actors behind them, and their relative influences could direct our attention to the likely trends in Chinese policy toward India and South Asia.

South Asia Goes Nuclear: Chinese Responses and Assessments

China's initial response to the Indian nuclear tests of May 11, 1998, was rather restrained. The official Xinhua News Agency matter-of-factly reported the tests and an Indian naval missile test.¹ Ministry of Foreign Affairs (MFA) spokesman Zhu Bangzao expressed the Chinese government's "deep concern" over the tests and pointed out that these were contrary to international trends and not conducive to peace and stability in South Asia. Two days later, India conducted a second round of tests. After the *New York Times* published Indian Prime Minister Atal Bihari Vajpayee's letter to President Bill Clinton alluding to the "China threat" as the justification for the nuclear tests, Beijing's reaction was both swift and charged. The MFA issued a statement on May 14 strongly condemning India's behavior:

In disregard of the strong opposition of the international community, the Indian government conducted two more nuclear tests on May 13 following the May 11 tests. The Chinese government is deeply shocked by this and hereby expresses its strong condemnation. This act of India's is nothing but outrageous contempt for the common will of the international community for the comprehensive ban on nuclear tests and a hard blow on the international effort to prevent nuclear weapons proliferation. It will entail serious consequences to the peace and stability in South Asia and the world at large.²

1. *Jiefang junbao* [Liberation Army daily, hereafter *JFJB*], May 13, 1998, p. 1.

2. "China's Statement on India's Nuclear Tests," *Beijing Review*, June 1–7, 1998, p. 7.

Pakistan conducted six nuclear tests on May 28 and 30, 1998. As Hasan-Askari Rizvi argues in this issue, while a delay of Pakistan's tests might have been possible had there been stronger international sanctions against India, in the end, the issue was not whether, but when, these tests would take place. Beijing's reactions were predictable: it expressed deep regret/disappointment over Pakistan's nuclear tests but blamed India as the instigator of the South Asian nuclear crisis. In effect, China suggested that Pakistan's tests were a forced response to India's bullying and reflected Islamabad's disappointment with the mild measures adopted by the international community. The hawkish remarks by Lal Krishan Advani, India's home minister, on the Kashmir issue were often cited as evidence of both New Delhi's blatant intimidation and an important reason why Pakistan had to conduct its own tests. In other words, Pakistan had to demonstrate its nuclear capability as a form of deterrence against India and to safeguard its own security in a situation of conventional force asymmetry. Finally, domestic pressure was such that resistance to tests could well topple the civilian government.

Beijing categorically rejected New Delhi's assertion that direct Chinese threats and China's continuing nuclear and missile assistance to Islamabad had prompted India to go nuclear. Articles in *Jiefang junbao* [Liberation Army daily] argued that over the period of 1988–98, especially since Indian Prime Minister Rajiv Gandhi's historic December 1988 visit to China, Sino-Indian relations had gradually improved. In 1993 and 1996, two important agreements were signed to reduce tension and maintain peace and tranquility in the areas along the line of actual control (LAC), pending a final resolution of the border dispute. In fact, General Fu Quanyou, the People's Liberation Army (PLA) chief of the general staff, had visited India in late April 1998 in an effort to improve the relationship between the two militaries. Beijing therefore was infuriated by Indian Defense Minister George Fernandes's remarks that China remained India's potential enemy number one, and took them as a serious affront.

The South Asian nuclear tests provided a unique opportunity for China to present itself as a responsible global power on the world stage protecting the integrity of the international nonproliferation regime. China reaffirmed its commitment to the CTBT, reiterating that it would not resume testing under any circumstances. Meanwhile, China and the United States called for an emergency meeting of the five permanent members (P-5) of the United Nations Security Council at which the foreign ministers issued a joint communiqué on the South Asian nuclear tests in Geneva on June 4, 1998.

Exercising its authority as president of the Security Council that month, China actively sought and coordinated P-5 consultation, leading to the adoption on June 6 of Security Council Resolution 1172 (UNSCR 1172), which condemned the South Asian nuclear tests, demanded that India and Pakistan

refrain from further nuclear tests, and called upon both countries to immediately stop their nuclear programs and refrain from weaponization.³ During President Clinton's visit to China that June, China and the United States issued a joint communiqué on South Asia that called on India and Pakistan to "stop all further nuclear tests and adhere immediately and unconditionally to the CTBT . . . and to enter into a firm commitment not to weaponize or deploy nuclear weapons or the missiles capable of delivering them."⁴ Chinese analysts suggested that strong measures were needed to deal with India, arguing that a less than resolute response could only encourage other potential threshold states to follow suit. At the same time, China expressed its strong disapproval of India's nuclear tests, and especially what it saw as New Delhi's unjustified accusation, by canceling the originally scheduled November 1998 Sino-Indian Joint Working Group (JWG) meeting in Beijing.

The Response from Chinese Defense Analysts

Chinese analysts identify a number of underlying motivations behind India's nuclear tests, ranging from an aspiration for great-power status to immediate concerns of domestic politics.⁵ The consequences of South Asian nuclear tests for international arms control and regional security are also the focus of Chinese analyses. The tests are seen as a severe setback to international nuclear nonproliferation efforts and a serious challenge to the stability and legitimacy of existing nonproliferation regimes such as the NPT and the CTBT, and a very negative and worrisome precedent for known threshold states. Finally, from a nonproliferation perspective, Pakistan's possession of nuclear weapons could also raise concerns over potential transfers to other Islamic countries. This in turn could cause Israel to consider its own nuclear options. It would not sit still and watch countries like Iran develop nuclear capabilities. At the same time, Egypt would react strongly should Israel openly go nuclear. This could touch off a chain reaction with great costs to the international nonproliferation regime.

3. United Nations Security Council, *Resolution 1172 (1998)*, S/RES/1172 (1998), June 6, 1998, <<http://www.un.org/Docs/scres/1998/sres1172.htm>>.

4. *Renmin ribao* [People's daily], June 28, 1998.

5. Du Jian, "Nanya hefengbao jiqi yingxiang" [The nuclear storm in South Asia and its implications], *Shijie jingji yu zhengzhi* [World economics and politics], no. 7 (1998), pp. 70–72; Du Youkang, "Yindu heshiyan yu ZhongYin guanxi" [Indian nuclear tests and Sino-Indian relations], *Guoji wenti luntan* [International forum], no. 3 (1998), pp. 21–27; Wang Chiming, "Qianxi Yindu kuayue 'hemenlan' de beijing" [An analysis of the background for India's crossing the 'nuclear threshold'], *Heping yu fazhan* [Peace and development], no. 3 (1998), pp. 23–26, 38; Zou Yunhua, *Chinese Perspectives on the South Asian Nuclear Tests*, CISAC Working Paper (Stanford: Center for International Security and Cooperation, Stanford University, January 1999).

However, it is worth noting that while officially China continues to hold on to UNSCR 1172 calling for weapons rollback, at the same time alternative, less stringent views are beginning to surface among Chinese analysts. In this context, Chinese thinking on post-test reaction and management is quite revealing. Some analysts suggest that China had not been wise in taking the lead to condemn Indian nuclear tests; Beijing had wrongly thought it shared common concerns with Washington regarding the South Asian nuclear issue, but it turned out that the U.S. had different priorities and China's seeming inflexibility in this regard is now constraining its ability to undertake dialogue with India.⁶ Other analysts seem to have concluded that after the initial shock in the wake of the May 1998 tests, the nuclear nonproliferation regime has remained intact. Now, the issue is finding a way to persuade India and Pakistan to sign the CTBT and NPT.

While U.S. efforts at brokering a deal for the two countries to join the nuclear nonproliferation regime are readily acknowledged, Beijing is less convinced that this would ever happen without New Delhi and Islamabad having their pre-conditions met, namely, the international community's recognition of their status as nuclear weapons states (NWSs). There is widespread pessimism regarding "rollback" as represented by UNSCR 1172. Many Chinese analysts privately point out that it is simply unrealistic to expect India and Pakistan to forgo their nuclear options and revert to the pre-test status; international efforts can slow down but not reverse the process of nuclear weaponization in the two countries.⁷

The regional fallout is another major concern for Chinese analysts. Some argue that the nuclear tests have heightened tension between India and Pakistan and reduced security for both countries. However, on February 20–21, 1999, Prime Minister Vajpayee visited Pakistan at the invitation of Pakistani Prime Minister Nawaz Sharif. Vajpayee arrived at the border aboard the inaugural run of the Delhi-Lahore bus service. The two leaders held discussions on a range of bilateral, regional, and international issues. The meeting resulted in the signing of a memorandum of understanding and the Lahore Declaration identifying measures aimed at promoting an environment of peace and security between the two countries. Despite the highly publicized Lahore bus diplomacy that February, Chinese analysts point out that the fundamental differences between the two countries remain. Moreover, the military clash in Kargil that summer only reinforces this pessimistic view. The fighting and the acrimonious feeling generated makes resolution of the Kashmir issue even more difficult.

6. Interviews with Chinese analysts, Shanghai and Beijing, March 2001; Beijing, August 2001.

7. Author's interviews with Chinese government officials and analysts, Beijing, August and October 1998; March 1999; and October 2000.

An arms race has already set in, marked by the two countries' intensified missile programs and growing number of launch tests. In addition, New Delhi and Islamabad are both in the process of formulating nuclear doctrines, and there is greater danger that the conflict over Kashmir could escalate to a nuclear confrontation. Many Chinese analysts echo warnings by Scott Sagan and others about potential deterrence failure, by pointing out the potentials for preventive military actions and accidental wars. Given the short attack warning time, crisis stability becomes at once essential and impossible as both countries face the nightmare of having to make instantaneous but error-prone decisions for quick response. The pressure exerted on the command and control systems could be excruciating, and the possibility of inadvertent and unauthorized launches of nuclear weapons therefore cannot be ruled out with any confidence.

These concerns notwithstanding, not all Chinese discussions are cast in such doom and pessimism. Indeed, some analysts suggest that while Indo-Pakistani conflicts over Kashmir will likely continue, an open and all-out war between India and Pakistan remains a remote possibility, as does a nuclear war, because both countries are highly aware of the calamities and huge economic costs such a war would be sure to bring. To some extent, nuclear deterrence seems to have been established between India and Pakistan; for Islamabad, the nuclear tests serve to offset New Delhi's superiority in conventional forces. This has introduced some elements of caution and restraint, as both countries must avoid the prospect of conflict escalating out of control and resulting in a nuclear showdown neither could win nor afford. Therefore, there is mutual interest in controlling the scope and scale of conflict, as was demonstrated in the recent Kargil episode. Interestingly enough, even these more optimistic Chinese assessments make scant reference to what confidence-building measures (CBMs) can actually contribute to stability and crisis avoidance, let alone offering more specific suggestions.

The nuclear tests and missile developments in South Asia have important implications for Sino-Indian relations. Although China and India have made significant progress in normalizing relations over the past decade through various CBMs, there remain a number of issues that continue to strain the bilateral relationship: unresolved boundary (and territorial) issues, Tibet, and the Pakistan factor.⁸ With continuing efforts at missile development on In-

8. See, for example, Du Youkang, "Yindu heshiyan yu ZhongYin guanxi" [Indian nuclear tests and Sino-Indian relations]; Richard Weixing Hu, "India's Nuclear Bomb and Future Sino-Indian Relations," *East Asia* 17:1 (Spring 1999), pp. 40–68; Liang Jiejun, "Kua shiji de Yindu guojia anquan zhanlue" [India's trans-century national security strategy], *Xiandai guoji guanxi* [Contemporary international relations], series no. 115 (May 1999), pp. 23–27; Zhang Wenmu, "Yindu de diyuan zhanlue yu Zhongguo Xizang wenti" [India's geostrategy and the issue of Chinese Tibet], *Zhanlue yu guanli* [Strategy and management], no. 5 (1998), pp. 105–109.

dia's part, China now has to contend with the unwelcome prospect of its major cities becoming potential targets for attack. India's emerging nuclear capability would also test China's no-first-use (NFU) policy. On the one hand, an NFU between China and India could help to establish nuclear stability between the two countries; on the other hand, any hint of such a policy move would be tantamount to acknowledging India's NWS status, which Beijing is reluctant to do. The more India continues to move toward acquiring the capability to strike deep into China's heartland, the more Beijing is likely to reassess its nuclear posture and missile deployment.

India Rising: China Faces New Challenges

The immediate assessments of the consequences of the 1998 nuclear tests aside, Chinese analyses have also turned to other developments that could seriously affect Sino-Indian relations and regional security. Beijing is paying increasing attention to India's drive for great-power status through diplomatic initiatives and military buildup. Chinese analyses center on four key developments. The first relates to India's self-perception and increasingly articulated assertiveness of its predominant role in South Asia, and how this may impinge on China's interests in the region. New Delhi is seen as seeking to further consolidate its dominance in South Asia and control of the Indian Ocean, and develop minimum but credible deterrence against China. The second development is what some Chinese analysts perceive as a comprehensive defense modernization drive on India's part. This includes significant increases in defense budgets, plus foreign acquisitions and indigenous procurement in power-projection capabilities, notably ballistic missile development, naval buildup, and new fighter aircraft. Third, beyond tacit U.S. acquiescence in India's *de facto* nuclear status is an improving Indo-U.S. relationship that is perceived by some Chinese analysts as an attempt by Washington to enlist New Delhi as a potential counterweight, if not part of a containment strategy, against China. In addition, India is actively engaged in great-power diplomacy to raise its own profile on the global stage. Finally, there is growing awareness among Chinese analysts of India's post-Pokhran diplomacy of engagement and entente with countries beyond New Delhi's traditional strategic domain: Japan, Vietnam, and, to a broader extent, members of the Association of Southeast Asian Nations (ASEAN), many of which have ongoing disputes with China.

India's desire to be recognized as a major power not just confined to South Asia is no secret. Its pursuit of great-power status has been persistent since Independence, even though the results have not always matched ambitions. The end of the Cold War provides a unique opportunity for India to realize its strategic objective. Specifically, New Delhi is adopting an all-dimensional

diplomacy and raising its profile on the world stage by calling for a new international political and economic order. It continues to pursue a policy of credible, minimum nuclear deterrence so as to secure its place in a multipolar world. At the same time, it seeks to take advantage of the revolution in information technology (IT) to become a global economic power.

There are a number of factors that make this persistent pursuit understandable and likely will contribute to India's rise in the near future. One is a strong national will that is partly based on pride in the past and partly driven by a sense of mission. Since Nehru's time, India has always sought to become a power of global influence. It has occupied a unique and unchallenged position in South Asia, has rich natural and human resources, and its advance in IT development has been phenomenal. According to some statistics, India is the second largest software-producing country in the world, after only the United States. Despite various ethnic and religious problems, the country has by and large maintained political stability, and its democratic system has remained intact. India is also developing a formidable military force, already ranked fourth in the world (as delineated below) and is continuing to modernize in conventional, missile, and nuclear arsenals. Because of its potential and its predominance in South Asia, India also is much sought as a partner by great powers, especially the United States, consequently whetting New Delhi's ambition for great-power status.⁹

It is obvious to Chinese analysts that Indian perspectives on international relations revolve around the following points: nuclear weapons are a sufficient condition for becoming a power center in a multipolar world; economic diplomacy has become an important element of contemporary international relations; and India should seek a great role outside of the South Asian Association for Regional Cooperation (SAARC) and South Asia. For this reason, India will likely continue its pursuit of credible minimum nuclear deterrence and develop a full-fledged triad strategic force. However, the execution of its diplomatic goals has been hampered by a noticeable limitation characterized by a lack of proper coordination between its foreign policy and other policies, in particular a disjuncture between military and foreign policy, as well as posturing and inflexibility in international relations.

Fundamentally, though, India's ability to realize its great-power potential is impeded by structural constraints. These include the burden of overpopulation, internal insecurity from continued ethnic and religious unrest, a post-Congress Party period of unstable coalition politics, conflicts over resources with other South Asian countries, and the perennial conflict with Pakistan. All of these have consumed India's energies and made it difficult to realize

9. Ma Jiali, "Yindu zhanlue diwei tuxian" [India's elevating strategic position], *Heping yu fazhan* [Peace and development], no. 4 (2000), pp. 20–23, 46.

its ambitions. Consequently, India's emergence as a great power will be constrained.

Chinese analysts particularly note India's desire to be recognized as an NWS. The principal evidence presented is that New Delhi immediately indicated it would also sign the relevant protocols of the Southeast Asian Nuclear Free Zone (SEANWFZ) after China's announcement at the July 1999 ASEAN Regional Forum meeting that it would do so. Moreover, India has also been seeking to sign an NFU agreement as well as start a strategic dialogue with China. SEANWFZ was signed by ASEAN leaders at the organization's Fifth Summit in Bangkok (hence also called, Treaty of Bangkok) on December 15, 1995, and entered into force on March 28, 1997. None of the NWSs has so far signed the protocols.

For the Chinese, the questions that arise are what conditions India must meet and what it should do before it can be accepted as an NWS.¹⁰ At least three conditions must be considered. India should provide information on its command and control, technology, and so forth, so that it can be regarded as a qualified candidate capable of safeguarding its nuclear arsenals. Second, India must be a responsible NWS and therefore should sign the relevant international treaties such as the NPT and CTBT, and disclose its nuclear doctrine and policy. Finally, India should guarantee that it would enforce adequate export controls and not transfer nuclear equipment and technology to other countries. In this context, there is speculation on whether recent reports that India may likely sign the CTBT is tactical posturing or whether it indicates a certain level of confidence on India's part that it has acquired nuclear, hydrogen, and neutron weapons capability.

Another development noted by Chinese analysts is New Delhi's active great-power diplomacy since 1998. The objectives are to break out of the isolation imposed on India after its nuclear tests, to seek international recognition that India is a rising global power and promote its candidacy for permanent membership on the Security Council, to develop closer ties with all major powers, to further isolate Pakistan—in particular in the aftermath of the October 1999 military coup—and to consolidate the domestic position of the Bharatiya Janata Party (BJP).¹¹ Indo-U.S. relations have improved with President Clinton's March 2000 visit and Prime Minister Vajpayee's return visit in September. In January that year, the Indian defense minister visited Japan, the first such visit since India gained independence. Japanese Prime Minister Yoshiro Mori visited India in August, and Vajpayee paid an official visit to Japan in February 2001. In addition, Russian President Vladimir Putin visited India on October 2–5, 2000, and the two countries issued a decla-

10. Interview, Beijing, October 2000.

11. *JFJB*, October 10, 2000, p. 5.

ration on establishing a Russo-Indian strategic partnership, further enhancing India's international status. Indian President K. R. Narayanan visited China in May that year to mark the 50th anniversary of the establishment of Sino-Indian diplomatic relations. Li Peng, chairman of the National People's Congress Standing Committee, visited India in January 2001. Other exchange visits by the Chinese and Indian prime ministers have also been announced. Chinese Premier Zhu Rongji is scheduled to visit in the near future.

All of these activities, especially New Delhi's skillful balancing act among the great powers, have reversed the situation India faced in the aftermath of the 1998 nuclear tests and therefore expanded the space for India to play an enhanced role in the international arena. India has also broadened its relationships with ASEAN countries and improved relations with Myanmar. Chinese analysts note that New Delhi's Southeast Asia diplomacy could add complexity to China-ASEAN relations. For example, growing Indian and ASEAN naval cooperation could impinge upon China's maritime interests, making a final resolution of the territorial disputes in the South China Sea even more difficult. Indo-Vietnamese defense cooperation is viewed with suspicion, given that China has unresolved territorial issues with both countries.

Policy Changes Vis-à-Vis South Asia

Chinese analyses also point to noticeable policy adjustments toward South Asia by major powers. The U.S. has clearly recognized the growing importance of India, given the latter's potential as a major political player and an emerging market, its crucial role in South Asia's stability, and its potential as a counterforce against China. Beijing has watched closely and with growing concern the Indo-U.S. strategic dialogues and Washington's retreat from its original position of demanding rollback and its tacit acquiescence in India's de facto nuclear state status. While nuclear nonproliferation remains a fundamental policy goal, Washington's more immediate policy focus has shifted toward gaining Indian pledges of export controls and strategic restraint. Washington has gradually lifted the sanctions imposed on India in the aftermath of the 1998 tests.

Chinese assessments of Clinton's South Asian visit have been mixed. The visit was intended to achieve a number of objectives, including the prevention of nuclear proliferation, persuasion of both India and Pakistan to sign the CTBT, pressuring Pakistani President General Pervez Musharraf to restore civilian rule, and obtaining support against terrorism. In addition, Clinton sought to get New Delhi and Islamabad to resume negotiation on the Kashmir issue and to exercise the utmost strategic restraint. Also on the agenda was American interest in opening South Asian, and in particular, Indian markets. Except for some cosmetic gestures, the Clinton visit failed to achieve the key

mission of persuading India and Pakistan to give up their nuclear programs, nor was the U.S. successful in getting India to pledge participation in the fissile materials cut-off treaty (FMCT) negotiation.

The FMCT seeks to ban production of weapons-grade fissile materials and also to place existing stocks under international control. It is designed as part of the efforts toward ultimate nuclear disarmament in conjunction with the NPT and the CTBT. However, negotiation on the FMCT has yet to begin at the Conference on Disarmament in Geneva, because key nuclear weapons states cannot agree on an agenda. Indeed, despite 12 rounds of security dialogues between New Delhi and Washington, India has remained steadfast in its positions and declined to sign the CTBT.

For the United States, the conditions India raised are difficult to accept. They include U.S. support for India's permanent Security Council membership and the lifting of sanctions and restrictions on dual-use technology transfers. India also continues to refuse U.S. mediation in Kashmir. Despite the lack of any tangible progress, the Clinton visit nevertheless was seen by some Chinese analysts as signalling the end of the U.S.-Pakistani military alignment and the beginning of an Indo-U.S. strategic partnership. India's apparent endorsement of U.S. national missile defense only reinforces such views.

Russia has also strengthened its relationship with India since 1998. Of particular notice are the renewed strategic partnership between Russia and India and Russian provision of nuclear reactors and advanced conventional weapons to India. Moscow signed nuclear agreements with Delhi in the wake of the Indian nuclear tests and has been providing India with advanced fight aircraft, anti-missile systems, and major naval platform. These include the S-300 anti-missile systems, T-90 MBTs, Su-30 fighter aircraft, Kilo submarines, the Russian aircraft carrier Admiral Gorchkov, and MiG-29K carrier-based fighters. During Putin's visit to India in October 2000, Russia also agreed to allow licensed production of the Su-30 fighter in India. The 10-year bilateral military cooperation agreement amounts to \$16 billion in arms trade. What Chinese analysts have chosen not to mention is the fact that Russia has also been providing China with numerous advanced weapons, including submarines, destroyers, Su-27 and Su-30 aircraft, and A-50E airborne warning and control system aircraft.¹²

There is no question that India remains predominant in South Asia. Its power is unsurpassed in the region using any indicator, from military strength to economic power. During the Cold War, superpower intervention in the

12. Liu Wenguo and Jiang Feng, "Yin'E guanxi de lishi, xianzhuang ji duiwoguo de yingxiang" [India-Russian relations: History, present condition, and impact on China], *Nanya yanjiu* [South Asian studies], no. 1 (2000), pp. 62–65; Alexey Komarov, "Arms Sales to China, India Bolster Russian Industry," *Aviation Week & Space Technology*, February 5, 2001, pp. 51–52.

region relegated India's role to that of a junior partner to the former Soviet Union. In turn, the past decade has provided a unique opportunity for India to really assert itself as the unquestionable hegemon in South Asia. The nuclear tests have further enhanced its position vis-à-vis other regional states. India's goals are to exclude other great powers from making any inroads in South Asian affairs. A recent instance was New Delhi's arm-twisting in preventing Bangladesh from signing a force-stationing agreement with the United States.

India's regional dominance and extra-regional ambitions are reflected in its continuing pursuit of nuclear deterrent capabilities, the recent change in its military strategy, intensified military buildup, and growing defense expenditure. Beijing responded to India's draft nuclear doctrine by arguing that it could further escalate arms races in South Asia and that it demonstrates India's lack of sincerity in nuclear disarmament, contrary to Delhi's rhetoric.¹³ With the end of the Cold War, India has adjusted its security policy and sought to play a greater role beyond South Asia. A military strategy of "regional deterrence" has been adopted that seeks to consolidate India's predominance in South Asia, gain greater control of the Indian Ocean, develop nuclear and missile capabilities to deter China and suppress Pakistan, and discourage U.S. interference in the subcontinent's affairs.¹⁴

*Defense Expenditures and Changes
in Security Perceptions*

Chinese analysts have pointed to the dramatic growth in India's 2000–2001 defense budget: at \$13.9 billion, it represents a nominal increase of 28% over the previous fiscal year. It has been reported that the defense budget for 2001–2002 could reach \$17 billion.¹⁵ India already has the world's fourth largest military force, with personnel totaling 1.36 million on active duty, 700,000 in the paramilitary, and 2.8 million in reserves. Should India fully implement its draft nuclear doctrine, which calls for a nuclear force based on a triad of aircraft, mobile land-based missiles, and sea-based assets and requires a total of 100 to 400 nuclear warheads, the nation could become the third most powerful nuclear force after the U.S. and Russia. Whether India

13. Liu Yang, "Yindu hewuhua lushang zoudouyuan?" [How far will India walk down the path of nuclear weaponization?], *JFJB*, September 5, 1999, p. 5.

14. Zhao Xiaozhuo, "Yindu guojia anquan zhanlue" [India's national security strategy], *Waiguo junshi xueshu* [Foreign military studies], 2000, no. 2, <<http://www.ams.ac.cn/trsweb/Detail.wct?SelectID=1935&RecID=8>>, accessed February 14, 2001.

15. Ma Jiali, "Yindu xingshi de huigu yi zhanwang" [India: Review and forecast], *Xiandai guoji guanxi* [Contemporary international relations], no. 2 (2001), pp. 54–58; Zhao Haitao, "Yindu: Dafudu zengjia junfei xiangganma?" [India: What does it want by dramatically increasing military spending?], *Guoji zhanwang* [International outlook], March 2001, pp. 80–82.

can achieve such capability will likely be determined by the outcome of the policy debate on nuclear doctrine, as well as on technological and financial constraints.

The latest drive for defense modernization focuses on strategic forces, including 100 nuclear-capable Agni medium-range ballistic missiles (MRBM), and Prithvi short-range surface-to-surface missiles. Agni is a two-stage medium-range ballistic missile. Using solid fuel and with a designed range of 2,500 kilometers, it carries a 1,000-kilogram warhead, either conventional or nuclear, and has a circular error probable (CEP) of about 100 meters. India has launched a major naval buildup in recent years, acquiring key naval platforms from Russia. Its navy currently ranks seventh in the world and India is the only country in South Asia that possesses aircraft carriers. Its strategic intentions are to establish its predominance in the Indian Ocean and control key strategic sea-lanes; balance the naval forces of the U.S. and Russia; and prevent other powers such as China and Japan from making inroads in the area.¹⁶

The implications of India's growing military capabilities are not lost on Chinese strategic analysts. A strategy of what some Chinese analysts describe as "offensive defense" has emerged in Indian military thinking, which emphasizes seizing unoccupied areas in the Sino-Indian border regions to bolster Indian political leaders' negotiating positions with China.¹⁷ With enhanced military capabilities, India is gaining confidence and consolidating its conventional superiority by maintaining 200,000 troops along the Sino-Indian line of actual control. These include two army corps headquarters, eight divisions, 37 combat brigades, nine Air Force wings, and two missile brigades, constituting about 20% of Indian army and air force totals. The Agni-II MRBMs, if deployed in Assam, would pose the most serious threat to China, as they could strike major Chinese cities.

China's security relationship with Pakistan in the aftermath of the Pokhran tests has become more delicate. On the one hand, from a realpolitik perspective, continued support of Islamabad must remain a key element of Beijing's South Asian policy, so that China does not desert a long-term loyal ally and remains able to play the Pakistani card for regional geostrategic purposes. This explains why China maintains its security relationship with Pakistan, although somewhat more cautiously than before, despite the improvement in the Sino-Indian relationship.

While over the years Chinese support of key Pakistani positions on such issues as the Kashmir question has weakened and become ambivalent, China

16. See Zhao, "India's National Security Strategy."

17. Song Dexing, "Shilun Zhongguo zhoubian anquan huanjingzhongde Yindu yinsu" [An analysis of the India factor in China's peripheral security environments], *Nanya yanjiu jikan* [South Asian studies quarterly], no. 2 (1999), pp. 36–42.

has continued to render full-scale support in Pakistan's national security modernization through military exchanges and conventional-weapon transfers. On the other hand, China clearly does not want to make any firm commitment to Pakistan out of concern for being unable to control the dynamics of Indo-Pakistani conflicts and for fear of unwanted nuclear entanglement with India. Indeed, over the last decade, China's position has shifted from support of Pakistan in its confrontation with India to encouragement of Indo-Pakistani rapprochement, maintaining that the 1972 Simla Agreement should serve as the framework for resolving the issue and that its eventual resolution should be determined by the people of two countries through dialogue and negotiation.¹⁸ This was clearly reflected in China's neutrality during the Kargil conflict in 1999. To some extent, China realizes the impossibility of maintaining even neutrality in the Indo-Pakistani conflict: whatever China does, it will incur resentment from one or another side.

Sino-Indian Relations after Pokhran-II

India's nuclear tests have important implications for Sino-Indian relations. Despite the gradual improvement of bilateral relations over the past decade, including a series of summit meetings and the 1993 and 1996 CBM agreements, fundamental differences on a number of key issues remain, and the CBMs concluded so far have proved to be rudimentary and far too general; specifics remain to be worked out.¹⁹ While both sides vow to keep peace and tranquility in the border areas, in particular along the line of actual control, the LAC itself has yet to be clearly demarcated and delimited. While the November 2000 exchange of maps on the LAC in the middle sector of the contested Sino-Indian border was considered a step forward, according to Indian sources, the two sides' interpretations of the LAC remain "poles apart."²⁰

Meanwhile, New Delhi continues to worry about China's growing military power. But India's core fixation is less the immediate Chinese threat than its acute awareness of its position in the international pecking order, in particular with reference to China. Chinese analysts, on the other hand, differ among themselves on future bilateral relations. Some continue to view the CBM

18. The Simla Agreement was signed on July 2, 1972, by the Indian and Pakistani governments after the 1971 Indo-Pakistani war. The agreement seeks to lay down the principles that would govern future relations, in particular a commitment to "settle their differences by peaceful means through bilateral negotiations."

19. For a preliminary assessment, see Waheguru Pal Singh Sidhu and Jing-dong Yuan, "China and India: Building Confidence through Cooperative Monitoring," *Asian Survey* 41:2 (March/April 2001), pp. 351–76.

20. Jawed Naqvi, "Chinese Action Irks India," *Dawn* (Karachi), January 16, 2001, at <<http://www.dawn.com/2001/01/16/top2.htm>>.

process as a useful way to repair the relationship and move it forward, and indeed anticipate some similar views ahead on the nuclear front (no-first use, total and complete elimination of nuclear weapons). Others see obstacles and difficulties, including such issues as the Dalai Lama and the Tibetan separatist movement in India, certain Indian officials' statements regarding the status of Taiwan, and the changed strategic and military realities.

The following section draws on the author's interviews with Chinese analysts in Beijing and Shanghai between July 1998 and August 2001. Chinese analyses focus on three areas: India's nuclear tests and its continuing missile programs, its emergence as a great power, and the broader implications for Sino-Indian relations. The majority of Chinese analysts interviewed advocate a forward-looking approach. They suggest that India's rise as a global power is inevitable in the long run and that this eventual development is compatible with China's preference for a multipolar world. Indeed, as they see it, China and India should broaden areas of cooperation while containing potential conflicts of interest. While official Chinese statements continue publicly to hold onto UNSCR 1172, some Chinese analysts have already recognized that it may not be realistic to expect an Indian rollback. On the other hand, from a long-term perspective China's and India's support of no first use and global disarmament could actually enable the two to work together in the global arena. Unless their very survival is threatened, neither India nor China would resort to the use of nuclear weapons against each other.

There is also a growing recognition that China and India share a number of important principles governing the international political and economic order. Chinese analysts have suggested that China and India should be natural allies rather than potential adversaries, not only because both countries have similar historical experiences (foreign subjugation and a colonial or semi-colonial past) but also because they share some common views in building a multipolar world. To begin with, both countries support a multipolar world, not U.S. unipolarity. Both oppose hegemonism and power politics and hold that the Five Principles of Peaceful Coexistence (mutual respect for sovereignty and territorial integrity, non-aggression, non-interference in each other's internal affairs, equality and mutual benefits, and peaceful coexistence) should be the norm for interstate relations and the basis for the post-Cold War international order. Both oppose interference in domestic affairs on the pretext of humanitarian intervention, in particular through the wanton use of force. Both have also held that each country's political, economic, and social developments should be based on that country's history and its own choice, rather than be dictated by the so-called human rights norms. Finally, as the two largest developing countries, China and India also promote a more equitable, just, and fair international economic order so that the South can better benefit from globalization.

There are also suggestions that India deserves more attention as it emerges as a global power. It is only normal for India to pursue great-power diplomacy, just as China has sought over the past few years to develop various partnerships with almost all the major powers. Indeed, there is an argument that China should actually acknowledge India's great-power status. And Beijing should not interpret every Indian diplomatic move as being directed at China. On the border issue, there is an implicit recognition that the LAC could be the basis upon which territorial disputes can be finally resolved. Some Chinese analysts suggest that a strong and nationalist BJP actually could provide the opportunity for resolving the border issue, since the BJP would not have the historical political baggage of the Congress Party and, with continued growth in military power, may in fact possess credible bargaining power in its negotiations with China.

However, quite a few Chinese analysts also see India's ambitions as threatening China's fundamental security interests. They argue that while ad hoc management of the bilateral relationship is possible, the long-term prospect of rapprochement is overshadowed by India's continued nuclear and missile programs, the Tibet issue, territorial disputes, and the absence of trust. At the same time, India remains attracted to the idea of an "Indian card" in the Sino-U.S.-India triangle; in other words, New Delhi wants to use its improved ties with the U.S. to strengthen its position in dealing with China. China therefore needs to watch developments in India very carefully and formulate its policy accordingly. Indeed, these issues could significantly affect long-term Sino-Indian relations.

Yet, another group of Chinese analysts seems more ambivalent, wavering between confrontation and cooperation, depending on the assessment of India's China strategy and Beijing's priorities. While not completely giving up any prospect of a stable bilateral relationship worthy of political investment, analysts of this ilk nevertheless caution against an accommodative posture. Given China's increasing preoccupations within East Asia and over the Taiwan Strait, a cold peace with India certainly is preferable to open conflict. What bars this group of analysts from any expectation of near-term normalization are the unresolved issues between China and India that have no easy solution. The Chinese analysts have identified them as the so-called six "T"s: territorial disputes; the Tibet issue; threat perceptions; the trilateral relationships between China, India, and Pakistan; India's accession to NPT/CTBT; and bilateral trade. I will briefly touch on some of them.

Lingering Border Disputes

The border dispute remains to be resolved. In the western sector, China and India dispute a 33,000 sq. km territory on the Aksai Chin plateau in Ladakh, and the matter is made more complicated by the fact that Pakistan ceded

5,000 sq. km in the disputed area to China in 1963. In the eastern sector, China continues to dispute Indian claims over 90,000 sq. km of territory south of the McMahon Line. China does not formally recognize Sikkim and Arunachal Pradesh as parts of India's territories.

While India appears more eager to resolve the issue, this may be diplomatic maneuvering rather than serious efforts seeking solution. China, on the other hand, would reciprocate only if India could make some concession in the eastern sector, in particular the Dawang area, which was the birthplace of the Dalai Lama and therefore has great symbolic significance. Resolution also requires that both countries have strong governments; in India it also requires amendment to a parliamentary resolution adopted shortly after the end of the 1962 war "binding the government to obtain the return of every inch of India's 'sacred soil' claimed or taken by China."²¹ While both governments have agreed to speed up the LAC delimitation, at the moment neither is strong enough to overcome the still-enormous domestic popular sentiment (more so in India than in China) for a settlement.

The Tibet Problem

Tibet will likely remain another possible point of contention. The strategic significance of Tibet to both India and China is obvious; India had always regarded Tibet as a security buffer against China. That was lost in 1950 when the PLA marched into Lhasa. New Delhi has never felt secure since.²² Moreover, there is the so-called "Tibet complex" in which repression or instability in Tibet generates domestic debate in India regarding its relations with China.

India, in the view of Raju G. C. Thomas, is directly or indirectly involved or concerned about all such "internal security issues both within its own borders and those of its neighbours."²³ For Beijing, the fact that India provides refuge to the Dalai Lama and more than 100,000 Tibetans means that Tibet will always be a touchy issue between the two countries. Some Chinese analysts argue that India's security interests require that Tibet be separated from China to form the buffer zone, thus removing a direct threat from China and allowing India greater freedom in the subcontinent. In this context, internationalization of the Tibet issue suits India's interests and meets the West's objectives as well.

21. Surjit Mansingh, "India-China in the Post-Cold War Era," *Asian Survey* 34:3 (March 1994), p. 289.

22. Dawa Norbu, "Tibet in Sino-Indian Relations: The Centrality of Marginality," *Asian Survey* 37:11 (November 1997), pp. 1078–95.

23. Raju G. C. Thomas, *India's Security Environment: Toward the Year 2000* (Carlisle Barracks, Penn.: Strategic Studies Institute, U.S. Army War College, 1996), p. 4.

Sino-Pakistani Cooperation

Another factor that served to strain Sino-Indian relations in the past—the Sino-Pakistani security relationship—continues despite the improvement in the former. While over the years Chinese support of key Pakistani positions such as the Kashmir question has weakened, China has continued to render full-scale support to Pakistan, including the current military government.

Chinese analysts I interviewed argue that improvement of Sino-Indian relations cannot be made at the expense of the Sino-Pakistani relationship. Indeed, they maintain that the terms of Sino-Pakistani relations should not be dictated by India. However, greater transparency in their bilateral defense cooperation could go a long way toward addressing some of New Delhi's concerns, especially the suspicion that China is providing Pakistan with weapons of mass destruction (WMD) and their delivery systems.

At the same time, sensitive deals must continue to remain confidential, just as India would not be expected to reveal its sensitive deals with Russia. Pakistan is a sovereign state and has the right to choose from which country to acquire its necessary means of defense. Chinese analysts also suggest that continued support of Pakistan could provide stability to the region against the backdrop of growing Islamic fundamentalism.²⁴ How China manages its relationship with Pakistan will greatly affect its relationship with India. While China maintains that improved Sino-Indian relations should not be based on a distancing of the Sino-Pakistani relationship, New Delhi insists that this should be a litmus test of China's sincerity.

China's Continuing Security Threat to India

Chinese analysts are well aware that New Delhi has never stopped viewing China as a major security concern. Indeed, even during the period of gradual improvement in bilateral relations, annual Indian Ministry of Defense reports had continued to make reference to the so-called "China threat." The rationale for the "China threat" thesis in Indian national security thinking is four-fold. One is that India and China have different ideologies and conflicting strategic interests. In addition, there remain unresolved territorial disputes between the two countries, and India continues to be haunted by the 1962 war. Third, China's growing prosperity and defense modernization are causing deep anxiety for India. And finally, there is a perceived encroachment by Beijing upon the Indian sphere of influence in South Asia as China develops better relations with countries in the region.

Given the geostrategic realities of the South Asian Subcontinent, and Beijing's and New Delhi's determination to gain influence in the region, long-

24. Interview with Chinese analyst, Beijing, October 2000 and June 2001.

term reconciliation will be difficult to build. The recent thaw in bilateral relations will not arrest the continued competition for regional influence. Beijing has already made a number of attempts to make a dent in what would be generally considered as India's sphere of influence through, for instance, arms sales to Nepal. So far, India has been able to hold onto its paramouncy in the region.²⁵ Indeed, balance-of-power politics remains obvious in the Sino-Indian rivalry in Myanmar, a buffer state between the two rising Asian powers.

China's activities in the region, including massive military sales, assistance in the construction of military facilities, the suspected installation of intelligence facilities on Burma's Coco Island, plus its projected interest in establishing a naval presence in the Indian Ocean, come into direct conflict with India's fundamental national security interests.²⁶ To counter Beijing's erosion of India's sphere of influence, New Delhi's counterstrategy has been to seek a constructive engagement with the junta in Myanmar, establish an entente of some sort with the ASEAN states and Japan, and improve relations with the United States. On the other hand, Beijing is also highly aware of New Delhi's hegemonic intentions in the South Asian region and its ambitions to expand its power projection into and beyond the Indian Ocean. This undeclared competition stands in sharp contrast to the recent efforts to mend fences in the border regions where a number of CBMs have been put into place.

Critical Issues Resulting from the Nuclear Tests

Two issues deserve our attention here. One is the validity of Chinese analyses in terms of their explanatory power and predictive values. Obviously (and understandably), the Chinese responses and analyses immediately after India's nuclear tests of May 1998 tend to be highly charged, following in general the government's positions. The more recent analyses, on the other hand, reveal a greater range of perspectives and to some extent reflect genuine efforts to provide relatively objective and informed assessments. That being said, there is a tendency for Chinese analysts to treat India's nuclear program as part of a grand national strategy since Independence, without acknowledging the inherently diverse and complex nature of debates within India.

In general, the Chinese explanations depict an India determined from the early 1950s to become a nuclear power. In other words, India's nuclear am-

25. John W. Garver, "China-India Rivalry in Nepal: The Clash over Chinese Arms Sales," *Asian Survey* 31:10 (October 1991), pp. 956-75.

26. J. Mohan Malik, "Myanmar Slides under China's Shadow," *Jane's Intelligence Review* 9:6 (June 1997), pp. 320-25.

biguity has all along been informed by considerations of tactics: the pursuit of nuclear weapons state status has always been the ultimate objective for India. However, as Deepa Ollapally's analysis suggests, "India's move towards nuclearization has been the lack of a formal, definitive grand strategy."²⁷ Instead of singlemindedness in the pursuit of nuclear power status, the views of Indian security analysts are highly diversified and sometimes directly opposed. Kanti Bajpai has summarized the nuclear debates in India and proposed three divergent perspectives: rejectionist, pragmatist, and maximalist.²⁸

Some Chinese analyses tend to exaggerate the extent of India's military buildup, in particular its nuclear and missile programs. They often describe these programs as potentially threatening to Chinese security interests and how they would elevate India to significant military power. What they have failed to recognize are the resource constraints and other obstacles. Such writings, some of them verging on sensationalism in order to sell, fill the pages of military journals and publications and target a growing Chinese readership interested in military affairs. For instance, there are Chinese analyses that describe a much-developed nuclear weapons program that in reality remains incomplete, subject to continued internal debates and resource constraints on the amounts and modes of deployment. Amit Gupta suggests that given these considerations, India will remain a third-tier nuclear state with essentially a regional reach.²⁹ In a similar vein, India's high-profile acquisition of advanced Russian conventional weapons should be put into the proper perspective of China's own imports of Russian weaponry. Another factor to consider is the less-reported difficulties facing India's military, ranging from depletion of its current fighter force to delays in the production of licensed Russian fighter aircraft.

A second, more important issue relates to the influence of Chinese analysts on policy formulation. Crucial to understanding here are the resources and relative strength of different research institutions, their relationships to the relevant agencies within the Chinese government, and how and under what conditions their views are likely to influence China's India policy. These are critical questions that require future research and analysis. At the risk of oversimplifying, we can say that analysts from government research arms, universities, and civilian think tanks in general hold the view that China should develop normal relations with India and seek ways to resolve their differences through patient negotiations. Such views often reflect the thinking of officials affiliated with the Ministry of Foreign Affairs system, includ-

27. See Ollapally's contribution in this volume.

28. "India's Nuclear Posture after Pokhran II," *International Studies* (New Delhi) 37:4 (October-December 2000), pp. 267-301.

29. See Gupta's contribution in this volume.

ing retired diplomats and analysts who have worked and written on Sino-Indian relations and South Asian affairs for many years.

Analysts from the military and the defense industrial complex manifest a different strand of thinking on India and Sino-Indian relations. While they by no means openly challenge current government policy, they nevertheless devote greater attention to developments in India's nuclear doctrine and are more sensitive to Indian defense modernization efforts, occasionally exaggerating the scale and scope of Indian military buildup, for obvious reasons. The *Liberation Army Daily*, *Conmmilit*, *Ordnance Knowledge*, the *World Military Review*, *International Outlook*, and the publishers affiliated with the PLA are prominent outlets for the views of such analysts.

In this context, recent developments in China deserve particular attention. The PLA has increasingly asserted its voice in national security policymaking, especially in the aftermath of the U.S.-led NATO military intervention in Kosovo and the bombing of the Chinese Embassy in Belgrade. Other notable issues include the growing Sino-U.S. confrontation over arms sales to Taiwan, and U.S. plans to develop and deploy theater missile defense (TMD) systems in Northeast Asia, including the integration of Japan and Taiwan into such systems. Even U.S. concern over Chinese nuclear espionage has given the military greater weight in Chinese national security policymaking.

These developments have intensified an internal debate on the relationships between, and balance among, external security environments, economic liberalization, and military (in particular nuclear and missile) modernization. The PLA's views increasingly focus on the necessity of building a strong army in light of U.S. hegemonism and the uncertain security environments with regard to Japan, India, Taiwan, and the South China Sea. Within this context, one could suggest that China's nuclear and missile modernization programs likely will assume greater importance, with emphasis on survivability of strategic nuclear arsenals and the ability for escalation dominance in regional conflicts. While Beijing may regard its actions in response to U.S. hegemony as irrelevant to Sino-Indian relations, the consequences of some of the policy choices could seriously threaten Indian interests. Most notable is Beijing's resumption (or, as some argue, intensification) of nuclear and missile-related transfers and assistance to Pakistan as retaliation against a particular U.S. policy (e.g., arms sales to Taiwan or theater missile defense).

If one accepts the thesis that the PLA is gaining increasing influence in national security policymaking, as a number of recent analyses would suggest, then the second, military-oriented school would be expected to have a greater say in China's policy toward India. However, recent developments in Sino-Indian relations, including Chinese parliamentary head Li Peng's visit to India and the bilateral security dialogue, reflect the preferences of the nor-

malization school that seeks common grounds while preserving differences between the two countries.

One plausible explanation for this is that the apparently growing concern of the Chinese military with the Taiwan issue and with the U.S.-Japan military alliance has made the argument for better management of Sino-Indian relations an acceptable alternative to having to face contingencies on both fronts. In other words, the current Chinese India policy is hardly cast in stone and is susceptible to domestic pressure. To sustain the post-Pokhran rapprochement between China and India requires gradual but demonstrable progress. On the other hand, changes in India's defense posture, buttressed by an enhanced nuclear and missile capability and coupled with hostile rhetoric, could elicit Chinese policy in kind.

Conclusion

International relations scholars have long debated the range of options states can adopt in conducting their relations and the possibility of international cooperation under anarchy. Realists are normally pessimistic in this respect and argue that relative-gain considerations make international cooperation elusive, if not altogether impossible. They would likely suggest that conflict between China and India is highly likely, given the states' growing power, unresolved disputes, and aspiration for power and prestige in regional and global affairs. Liberal institutionalists, on the other hand, point out that international cooperation is not only possible but also highly desirable because it reduces transaction costs and makes interstate relations more predictable. They argue that growing economic interdependence, the spread of democracy, and the increasing role of international institutions could help states seeking ways to resolve their differences not through use of force but via established rules.

In the case of Sino-Indian relations, the assessments presented above indicate that Beijing was obviously upset by New Delhi's use of a China threat as justification for the nuclear tests; the displeasure was registered in official denunciation and in China's various initiatives aimed at galvanizing international condemnation of India's behaviour. At the same time, analysts, especially those affiliated with the military, are clearly concerned with India's continued missile developments and its resolve to achieve a credible minimum deterrence based on a strategic triad. Given Beijing's growing preoccupation with developments in Northeast Asia, missile defense, and the Taiwan issue, any diversion on the southwestern front would not be conducive to national security interests.

The mirror image is perhaps equally true for New Delhi. This being the case, I would suggest that realism, especially its subsets of security complex/dilemma and balance of threat, offers a useful analytical framework with

which to understand post-Pokhran Chinese thinking on these issues. In a nutshell, both Beijing and New Delhi are more concerned with minimum security than with maximum power, but their behavior and policy affect each other's threat perceptions and policy responses. This provides an opportunity for dealing with the consequence of the security dilemma where one state's pursuit of security leads to security concerns for others.

One general conclusion based on the above analysis is that, notwithstanding the initial reactions and obvious recognition of a rising India in both military and economic dimensions, what the existing Chinese analyses can tell us at most is that there remain differences among analysts on how Beijing should regard and treat New Delhi. As defensive realism would suggest, China and India are security seekers rather than power seekers highly conscious of relative gains. Consequently, prospects for cooperation between India and China exist even as areas for potential conflict remain. Since the Kosovo crisis broke, the two governments have sought to mend fences, as they share common interests in opposing hegemonism and power politics; the same also applies to areas as broad as the establishment of a new international economic order, human rights, North-South relations, and environmental protection. It appears that at the official level at least, since Jaswant Singh's June 1999 visit, China's India policy seems to reflect and embrace the views advocated by most Chinese analysts who, while obviously concerned with developments in India since May 1998, do not view India's rise as a threat to China and are confident that Sino-Indian relations can be managed through good diplomacy and mutual understanding of each other's concerns. However, China could pay dearly by ignoring those analyses (and their potential swaying force) that emphasize the challenges India poses to China in the long run. Indeed, the current India policy remains fragile and, unless supported by meaningful progress in contentious bilateral issues like borders, Tibet, and Pakistan, could be susceptible to setback. Consequently, left to its own devices, the force of a "security dilemma" could drive China and India into an arms competition that could be economically costly, geopolitically destabilizing, and militarily risky.

The gradual normalization process of the last two decades could be built upon to further confidence building in the military field, including use of cooperative monitoring to facilitate the implementation of the two CBM agreements. The current official bilateral channels, such as the Joint Working Group, should be used to address not only LAC demarcation issues but also concerns about each other's weapons development and deployment. In this context, the security dialogue that the two sides have started could help further clarify each side's positions on issues of mutual concern and dispel any misunderstanding that might lead to potential conflict. In addition, risk-reduction measures, which range from de-alerting and no first use, to missile

limitation zones, need to be contemplated and negotiated. However, long-term peace and stability in bilateral relations require significant changes in Beijing and New Delhi's threat perceptions, avoidance of open rivalry over regional issues, better management of their respective relationships with Pakistan, and the eventual resolution of territorial disputes.