India’s Grand Strategy in East Asia in the Era of COVID-19

IAN HALL

Since the election of Narendra Modi’s Bharatiya Janata Party (BJP)-led government in May 2014, India’s approach to East Asia has changed, principally in response to pressures exerted by China. The Modi government inherited an East Asia strategy that combined a push for greater diplomatic and economic linkages with the region, an effort to improve Sino-Indian relations through a mix of engagement and deterrence, and a strengthening of security ties with the United States (US) and its allies. During its first three years in office, this paper argues that the Modi government stuck with this approach but attempted to pursue it more energetically as well as to assert India’s interests more clearly and forcefully in interactions with Beijing. After the Doklam standoff in 2017, however, India was pushed to assume a more clearly competitive stance, despite concerns about the reliability of Donald J. Trump’s new administration in Washington, China’s growing belligerence towards India and the rest of the region, and the impact of COVID-19. This stance entails both internal and external balancing, and a push for greater economic self-reliance that implies some decoupling from China, but which also has implications for India’s relations with other countries in East Asia.

KEYWORDS: India; foreign policy; strategy; East Asia; Narendra Modi.

* * *

Introduction

India’s approach to manage the challenges and opportunities presented by East Asia has changed since Narendra Modi’s Bharatiya Janata Party (BJP)-led government first came to power in May 2014. This should come as no surprise. India’s grand strategy has been in flux since the end of the Cold War, and by the mid-2010s, it was...
widely perceived that the approach it had pursued for more than a decade was not working and that new thinking was needed.\textsuperscript{1} By that time, it was apparent that the international context had also changed, as the United States (US) attempted to “re-balance” its diplomatic efforts and military forces in the wake of the Afghan and Iraq wars, and as the People’s Republic of China grew ever more assertive, especially after Chairman Xi Jinping took control in early 2013. Another layer of complexity was added two and a half years into Modi’s first term in office with the election of Donald J. Trump, and the new US administration’s shift to different approach to dealing with partners and competitors to the one that had prevailed under Barack H. Obama. One more thing was imposed by the Covid-19 crisis that unfolded after the first reports out of Wuhan in January 2020.

These developments, I argue, shaped the Modi government’s strategy concerning East Asia, pushing it to be more assertive with China and to seek closer partnerships to help manage China’s ambition, despite the risks involved, the fickleness of the Trump administration, and India’s limited capacities. In what follows, this case is made in five sections. The first defines “grand strategy” and outlines the approach India has pursued since independence. The second looks at India’s shifting approaches to East Asia prior to 2014 — at New Delhi’s early effort to accommodate China, within limits, its attempt to balance against it after the 1962 war, and the emergence of a “congagement” strategy in the 1990s. The third explores the evolution of the Modi government’s grand strategy from its first election win in mid-2014 to the Doklam crisis three years later, focusing on its management of various challenges posed by China with a mixed approach that blended diplomatic engagement with some external balancing.\textsuperscript{2} The fourth and fifth analyze how and why New Delhi largely abandoned attempts to engage and reassure Beijing after Doklam, as well as the impact of Covid-19 and the bloodshed in the Galwan Valley in mid-June 2020, and the shift towards an overt strategy of balancing China’s power and ambition with stronger regional partnerships.

**Does India have a Grand Strategy?**

“Grand strategies” are often associated with great powers.\textsuperscript{3} And since India is not a great power, many scholars are reluctant to talk about it having a grand strategy.

\textsuperscript{1}For a useful glimpse of the “establishment” view of the situation and the need for change, see the landmark Non-Alignment 2.0 paper produced by a group of mostly Congress Party-aligned analysts in 2012 (Khilnani et al., 2012).

\textsuperscript{2}On the distinction between internal and external balancing, see Morrow (1993).

\textsuperscript{3}The literature on grand strategy is large, but see Silove (2018).
They argue that India’s relative weakness and modest standing in the international hierarchy — at least in terms of wealth and power — prevent it from “coherently and systematically” articulating or pursuing such a plan (Tanham, 1992, p. v; cf. Karnad, 2015). However, these arguments do not hold up well in the light of either conventional definitions of grand strategy or the history of post-independence India. A grand strategy is simply a state’s “plan for making itself secure” which “identifies the objectives that must be achieved to produce security” and “describes the political and military actions that are believed to lead to this goal” (Walt, 1989, p. 6). The plan might be formal, laid out in a White Paper or similar official document, or it might be implied by patterns of behavior (Silove, 2018). Either way, any state can have one — large or small, powerful or not — including India.

Moreover, anyone passingly familiar with India’s past knows that its leaders have repeatedly articulated ambitious visions for a more secure nation and a more secure world. As the great strategist K. Subrahmanyam observed, India was one of the few post-colonial states that “started with a comprehensive grand strategy at the dawn of its independence, to meet both external and internal challenges towards becoming a major actor in the international community” (Subrahmanyam, 2012, p. 13). That strategy — formulated mainly by India’s first Prime Minister, Jawaharlal Nehru — had three parts. First, New Delhi sought to manage an internally divided society with constitutional democracy, federalism, and state neutrality in matters of religion. Second, it tried to promote economic development with a blend of state planning and free markets, seeking a high degree of self-reliance. Third, it adhered to “non-alignment” in international relations, seeking to lead by example towards a more just and peaceful global order governed by the principles of the United Nations, and trying to avoid entanglements in conflicts that might drain India’s meagre revenues (Fair, 2019, p. 174).

This grand strategy has been battered and modified since Nehru, but none of his successors have replaced it with something entirely new (Mehta, 2009). The political settlement has repeatedly been strained and the development strategy reformed, first to allow greater state control, and then, in the early 1990s, less regulation and more openness to the world. But constitutional democracy has survived, and self-reliance remains an aspiration. A desire for non-alignment — until recently rebranded “strategic autonomy” — has persisted, even as India has shifted to a more “normal” foreign policy that prioritizes interests over ideology (Mohan, 2003).

4See especially the discussion in Bajpai, Basit and Krishnappa (2014, pp. 1–16).
India and East Asia

During the Cold War and afterwards, New Delhi has tried to handle India’s relations with East Asia in ways consistent with its grand strategy, with mixed success. In the late 1940s and 1950s, Nehru argued that new states across Asia could show the way towards mutually respectful international relations free of the violent competitiveness characteristic of Western states. To that end, newly independent India vocally supported national self-determination for regional states still under colonial rule, emphasized long-standing cultural and religious ties, and promised cooperation and non-interference, so that the region might focus on social and economic development. Implicit, however, was an insistence that India be acknowledged as a leader of the post-colonial world.

That claim — and India’s wider approach to the region — was repeatedly tested by China, despite Nehru’s early efforts to establish strong relations with Beijing after the Communist takeover in 1949. Mao Zedong’s decision a few months later to invade Tibet — a buffer state effectively independent since 1912 — took Nehru’s government by surprise and changed the strategic dynamic between the two countries, since they now shared a frontier for the first time in their histories (Maxwell, 2015, p. 67; cf. Brown, 2003, p. 268). Thereafter, India oscillated between diplomatic engagement and military signaling in an effort to secure and settle the border. India recognized China’s sovereignty over Tibet in the *Panchsheel* agreement in late April 1954. But subsequent talks to agree a border failed and Mao’s regime intensified its competition with India to lead the post-colonial world, deriding Nehru’s vision of world order and offering instead a radical plan for global revolution (Garver, 2001, pp. 110–137). New Delhi responded by deploying more troops to the frontier, developing infrastructure, and even providing covert support to Tibetan rebels, in an attempt to pressure Beijing (Madan, 2020, pp. 112–126). This approach also failed, however. Mao called Nehru’s bluff and launched a “pedagogic war” in October 1962, and India lost.

Following that defeat, New Delhi adopted a new approach. It ceased attempts to accommodate China, cutting off diplomatic relations until 1979. It doubled the size of the armed forces and embarked on a military modernization program. After China’s first nuclear test in late 1964, India launched its own nuclear weapons program (Kavic, 1967, pp. 192–207). In 1971, Indira Gandhi signed a Treaty of Friendship and

---

5See, for example, Nehru’s speech on “India and Asia” delivered 8 March 1949 (Nehru, 1961, pp. 21–23).

6*Panchsheel* translates as “Five Principles”, a shortened version of the “Five Principles of Peaceful Coexistence” enshrined in the “Agreement on trade and intercourse between the Tibet region of China and India.”
Cooperation with the Soviet Union intended to provide India with economic and military assistance and to deter Chinese adventurism (Rajan, 1972).

This quasi-alignment with the Soviets had consequences, however, for its relations with parts of East Asia. It had little effect on India’s already attenuated ties with Japan and South Korea, which pursued a different set of economic policies and held tight to their alliances with the United States (Murthy, 1968). But it mattered in Southeast Asia, where India’s leaders believed that the past cultural and economic linkages and recent support for anti-colonial movements ought to give New Delhi influence. From the 1960s until the 1990s, Indian equivocation about communism within and outside the region, as well as its high barriers to trade and investment, eroded its position in the region (Pardesi, 2010, pp. 114–115).

In the 1980s, India did however succeed in improving relations with China. Deng Xiaoping’s order to end Chinese covert assistance to secessionists in India’s Northeast, the perception that Maoism was waning in global influence, and new unrest in Tibet all boosted New Delhi’s confidence (Subrahmanyam, 1983, p. 123, 190–192). Buoyed, Rajiv Gandhi’s government decided in 1986 to grant full statehood to the territory of Arunachal Pradesh, which China claims as “South Tibet”, and then try to normalize the relationship with Beijing. In 1988, Gandhi made the first visit to Beijing by an Indian prime minister in more than 30 years and agreed that the two should hold talks to settle the border dispute (Hall, 2020a, pp. 157–158).

In the meantime, New Delhi’s relations with the rest of East Asia were transformed. In 1991, faced with a serious balance of payments crisis, the then-Prime Minister P. V. Narasimha Rao implemented wide-ranging economic reforms, deregulating and opening up the Indian economy. This program was inspired by the impressive growth posted after similar reforms in Southeast Asia, South Korea and Taiwan. Rao also signaled a desire to boost economic ties with the region, visiting China, Singapore, South Korea, Thailand and Vietnam during 1993 and 1994, and launching the “Look East” policy. His aim was to boost trade, garner foreign capital and attract know-how in India. This approach was well-received, because East Asian states saw economic opportunities in India and because some were looking for new partners to hedge against China’s fast-growing power (Gordon, 1995). As a result, India was made an Association of Southeast Asian Nations (ASEAN) “dialogue partner” in 1995 and joined the security-focused ASEAN Regional Forum (ARF) in 1996. Japan also displayed interest, redirecting around 40% of its development assistance to India by the mid-1990s (Envall, 2014, p. 43).

This improvement in relations was abruptly halted by India’s nuclear weapons tests in May 1998. The decision to conduct them, taken by the newly elected BJP-led
government of Atal Bihari Vajpayee, was shaped by several factors, including concern about China and the perceived need to ensure India could retain strategic autonomy even in the face of a nuclear threat (Malone & Mukherjee, 2010, p. 143). Predictably, Beijing was outraged. Others were too. Tokyo, which had tried to persuade New Delhi to sign the Nuclear Non-Proliferation Treaty, put all new grants and loans on hold. Japan also worked with Australia to persuade the ARF to condemn India’s actions (Envall, 2014, pp. 44–45).

Outside China, however, East Asian anger with India about the tests proved short-lived. Bilateral and multilateral engagement was soon stepped up, especially after the US signaled it wanted open a dialogue with New Delhi about its nuclear program.7 Japan dropped its economic sanctions, issued new loans, invited Vajpayee to visit Tokyo in late 2001, and signed a strategic partnership agreement (Mukherjee & Yazaki, 2016, p. 10). The same year, New Delhi agreed defense deals with both Indonesia and Vietnam. In 2002, the first ASEAN–India summit was convened and the two signed a framework deal for a free trade agreement (FTA) (Pardesi, 2010, pp. 120–121). In parallel, there was even some improvement in Sino-Indian relations China, with the start of a strategic dialogue in 2000 and Beijing’s recognition of India’s sovereignty over Sikkim in 2005 (Hall, 2020a, pp. 158–159).

By the mid-2000s, India’s post-Cold War approach to East Asia was settled, though it involved a significant degree of flexibility. It had three inter-connected aims: first, supporting economic growth at home by facilitating greater trade with and inward investment from the region; second, “congaging” China with a mixture of diplomacy, trade and deterrence; and third, partnering with the United States, as the principal regional balancer and security provider, to manage some of the challenges emerging from China’s rapid rise.8 In pursuit of the first, New Delhi signed bilateral FTAs with Thailand (2003), Singapore (2005), and then ASEAN (2009), as well as an economic partnership deal with Japan (2011). It also welcomed substantial investment from Singapore (Mullen, 2016, p. 127).9 In pursuit of the second, both the Vajpayee and then the Congress Party-led Manmohan Singh governments looked for opportunities to cooperate with Beijing in global governance and to boost economic interdependence, with mixed results. India and China stymied a US-led climate deal at Copenhagen in 2009 and worked to align positions on global trade (Pant, 2014a, pp. 114–116). In the meantime, China became India’s biggest trading partner,

---

7On these talks, see Talbott (2004).
8See especially Dabhade (2009, pp. 312–313) on India’s “congagement” — a mixture of containment and engagement — of China.
9Singapore became India’s biggest source of foreign direct investment in 2014–15 (Mullen, 2016, p. 127).
accounting for almost US$67 billion per year in bilateral trade in 2014–2015, with the balance tipped very much in China’s favor (Mullen, 2016, p. 131). In parallel, in pursuit of the third aim, New Delhi struck a series of deals with Washington, including a 10-year Defense Framework Agreement, a US–India nuclear agreement, both announced in 2005, and a series of major arms contracts (Carter, 2006). At the same time, it began to construct closer strategic partnerships with US allies, including Australia and Japan (Envall & Hall, 2016).

Coengagement and Confrontation

The Modi government did not depart far from this approach during its first three years in office, but it did make some changes (Hall, 2016). It rebranded “Look East” as “Act East” and promised to be more energetic in boosting trade with East Asia (Palit, 2020). It launched new initiatives like “Make in India” to attract inward investment from that region and others. It also promised to reinvigorate cultural connections, especially with Southeast Asia, as part of broader push to build and use India’s soft power (Mohan, 2015, pp. 133–154, 182–185). In parallel, the Modi government assumed a more robust stance towards China, attempting to signal that India was keen on stronger economic ties but expected mutual respect, and acknowledgement of its interests and independence.

To make the latter point, New Delhi staged some diplomatic theatre, inviting the representatives of both Taiwan and the Tibetan government-in-exile to Modi’s inauguration — acts bound to irritate Beijing (Hall, 2019, p. 5). Then it launched a charm offensive, issuing an invitation to Xi to visit both New Delhi and Modi’s home state of Gujarat in mid-September 2014. However, the meeting did not go as planned. Beijing appears to have hoped that Xi’s visit would elicit an Indian endorsement of China’s Belt and Road Initiative (BRI), launched in late 2013. But it was clear well before Xi arrived that the Modi government was unwilling to take that step (Hall, 2020b, p. 163). Beijing then tried to pressure or embarrass the Modi government with an incursion across the LAC by Chinese troops and a series of stories in the Indian media leaked by Chinese diplomats undermining New Delhi’s claims about the amount of investment Xi would pledge at the close of the visit (Ganguly, 2017, p. 137).10 In response, Modi departed from past practice in the management of Sino-Indian relations, which was to

10It was rumored that China would promise US$100 bn, but the eventual number was US$20 bn (Basu, 2014).
keep disagreements beyond closed doors, publicly criticizing the PLA incursion at a press conference at which the Chinese leader was present (Bajpai, 2017, p. 81).

The Modi government had more success elsewhere in East Asia and the wider Indo-Pacific region. In early September, the prime minister was very warmly received in Tokyo by his Japanese counterpart, Abe Shinzo. In a high-profile declaration, Modi and Abe agreed to elevate India–Japan ties to the level of a “Special Strategic and Global Partnership” and promised to work together in the region to further their interests and values as “Asia’s two largest and oldest democracies” (MEA, 2014a). A few weeks later, following visits by both President Pranab Mukherjee and Minister of External Affairs Sushma Swaraj to Hanoi, Modi received Vietnam’s Prime Minister Nguyen Tan Dung in New Delhi, and reaffirmed the bilateral strategic partnership. Pointedly, the accompanying joint declaration made reference to the need to ensure “freedom of navigation and overflight in the East Sea/South China Sea” (MEA, 2014b). In November, Modi then became the first Indian Prime Minister in almost 30 years to travel to Australia, where he attended a Group of 20 (G20) summit, addressed parliament and broadened defense and security cooperation (DFAT, 2014).

In parallel, the Modi government courted the US with “unexpected” enthusiasm, despite a past ban on the Indian leader entering the country (Pant, 2014b).11 Immediately after Xi’s stay in India, Modi went to New York to address the United Nations and to woo investors. He then went to Washington, where he embraced — literally and metaphorically — President Obama and invited him to attend the Republic Day celebrations in January 2015.12 Three significant moves followed, all timed to coincide with Obama’s historic visit: first, the appointment of India’s former ambassador to both Beijing and Washington, Subrahmanyam (conventionally “S.”) Jaishankar, to head the Ministry of External Affairs; second, the renewal of a 10-year bilateral Defense Framework Agreement with the US, first agreed in 2005; and finally, the publication of a so-called “Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region” (White House, 2015). Together, these acts put an end to a period of vacillation in New Delhi about whether to commit more deeply to a strategic partnership with the US (Pant & Joshi, 2017, pp. 134–137). With Jaishankar now orchestrating India’s strategy, India more clearly pursued external balancing to manage China, with the US and its allies as key partners.

This shift did not, however, lead to an improvement in relations with Beijing. Instead, despite joining the Asian Infrastructure Investment Bank, embracing

11The ban was imposed after the 2002 riots in Gujarat, of which Modi was then the Chief Minister.
12The “Modi hug” became a feature of his diplomacy during his early years in office. Obama was the second US President to be invited to attend the event, after William J. Clinton, and the first to accept.
membership of the Shanghai Cooperation Organisation and prime ministerial enthusiasm about the BRICS summit in 2015, bilateral ties frayed.\textsuperscript{13} In the run-up to Modi’s return visit to China in May, his government again attempted to draw red lines concerning the border. In return, Beijing again placed India in a bind. In mid-April 2015, Xi went to Pakistan and unveiled the multi-billion dollar China Pakistan Economic Corridor (CPEC), a major component of BRI. Since some of the road and rail network intrinsic to CPEC passes through territory New Delhi claims as part of Jammu and Kashmir, the announcement effectively excluded India from future participation in BRI (Hall, 2020b, p. 164).\textsuperscript{14} The promise of US$22 bn worth of Chinese investment for India, extracted by Modi in Beijing, was scant compensation, amounting to less than half what was initially promised to Pakistan under CPEC (Bajpai, 2017, p. 82). Thereafter, public disputes multiplied, as Indian ministers and officials criticized BRI and China blocked the listing by the UN of Jaish-e-Muhammed leader Masood Azhar as a terrorist and India’s membership of the Nuclear Suppliers Group (Bajpai, 2017, p. 82, p. 90).

Matters came to a head in the middle of 2017, prompting a recalibration of India’s approach to East Asia. First, New Delhi was finally forced publicly to declare a position on BRI. In May, Beijing planned to hold the inaugural Belt and Road Forum, with Xi center-stage. Invitations were issued to foreign governments, including India, to send high-level representatives. The Modi government waited until the eve of the conference and then not only refused to send a suitable envoy, but also issued a scathing critique of BRI, asserting it did not meet international standards of governance and may create debt traps (MEA, 2017). The statement was blunt and ended discussion about whether India would sign on to BRI (Hall, 2020b, p. 161). Second, in June, the PLA moved into a disputed area of Bhutan known as Doklam (or Donglang) to construct a road, challenging Indian troops in the vicinity to confront them. This led to a six week-long standoff, before an agreement was reached to disengage at the end of August.\textsuperscript{15}

Doklam was not the first such confrontation between Chinese and Indian troops in the 2010s. There was a serious incident at Ladakh in 2013 during Premier Li Keqiang’s visit, as well as the transgression during Xi’s trip in 2014. But Doklam

\textsuperscript{13}For useful discussions of how India has used these forums to engage China, see Rajagopalan (2020, p. 90) and O’Donnell & Papa (2021).

\textsuperscript{14}Since CPEC is a major part of BRI, signing on to BRI would implicitly recognize the legitimacy of a project that impinges on India’s sovereign territory.

\textsuperscript{15}On the background to the standoff, see Bajpai (2018). The exact terms of the disengagement remain unclear.
lasted much longer and was more serious. It elicited a string of open threats from Chinese officials and its state-controlled media, promising punishments up to and including all-out war if India did not withdraw its forces (see Bisht et al., 2019). It took place, moreover, only a few months after the Trump administration had come to office. The new administration had introduced a novel element of unpredictability in Washington, cast a shadow over the Modi government’s earlier decision to deepen the bilateral strategic partnership, and generated doubt in New Delhi about how the US might respond if conflict did erupt (Gokhale, 2017, p. 8). Doklam highlighted the difficult choice India now faced: whether to manage China’s belligerence alone or double down, as it were, on the partnership with the US, despite Trump’s erratic behavior.

**Competition and Conflict**

Together with the pressure generated by BRI and the prospect of a much bigger Chinese presence in South Asia and the Indian Ocean, Doklam pushed New Delhi towards an approach that involved competition and balancing, and the abandonment of engagement. In the aftermath of the standoff, the clearest signal of this new approach was the Modi government’s assent to the reconvening of the “Quad” in November 2017.16 That minilateral group, comprising Australia, India, Japan and the US, had met in May 2007 on the sidelines of an ASEAN summit in Manila. Its original aim was to share assessments of the security challenges facing the region and to explore ways to work together more effectively, but it was disbanded following protests from China and changes of government in both Australia and Japan. By mid-2017, however, the need for more effective coordination between the participants — and others in the Indo-Pacific region — was apparent in their capitals.17

New Delhi’s decision to take part in the Quad was bold, as well as bound to annoy Beijing. It was far from clear during Trump’s early months in office that he or his administration valued the strategic partnership with India. In June 2017, Modi went to Washington to meet the new President and while he managed to avoid a public dispute with Trump, he came away with little else. Then in July, India was dealt a blow when Congress passed the Countering America’s Adversaries Through Sanctions Act

---

16 The full name of the original meeting was the “Quadrilateral Security Dialogue”. The revived Quad has not been given that title by the participants, who have preferred to use variants of “Quadrilateral consultations”.

17 The best discussion of the background to the Quad’s resurrection remains Madan (2017).
(CAATSA), which promised penalties for any state doing business with Iran, North Korea, or Russia. This posed a particular problem for New Delhi, which was in the process of negotiating a deal with Moscow to purchase the S-400 missile defense system. Some confidence was restored by James Mattis’ visit to India in September 2017. In New Delhi, the Defense Secretary reassured Modi’s government that Washington still believed that US and Indian interests were converging and was still invested in upholding the “rules-based order” in the Indo-Pacific (Cronk, 2017). But throughout 2017, it was not entirely clear that the Trump administration was fully committed to India as a strategic partner.

Re-entry into the Quad was smoothed, however, by improvements in India’s relations with Australia and Japan, brought about by a flurry of meetings stimulated by concern about Trump. In April 2017, Australian Prime Minister Malcolm Turnbull — an India sceptic, certainly compared to his predecessor, Tony Abbott — spent a full five days in New Delhi, and the two sides unveiled a series of defense and security deals (Hall, 2021, p. 9). In July, Modi held a summit with his Japanese counterpart, Abe Shinzo, on the sidelines of the G20 in Germany, and then another when Abe traveled to India in mid-September. After the second meeting, the two made a public pledge to “accelerate” their collaborative efforts to improve regional connectivity across the Indo-Pacific, signaling a willingness to compete with China’s BRI (MOFA, 2017). At the same time, as that pledge showed, it became increasingly clear that Australia, India and Japan were using the same or very similar language to describe their preferred regional order: one that was “free and open” and “rules-based” (Hall, 2020c).

These developments set the scene for two attempts to improve India’s strategic circumstances in East Asia. In late April 2018, Modi traveled to Wuhan in China to meet Xi for what was billed as an “informal summit” and an opportunity for the two leaders to “reset” bilateral ties in the wake of the Doklam standoff and in advance of a general election in India in 12 months’ time. Nothing tangible resulted, however, beyond vague commitments to respect to each other’s interests, address the imbalance of bilateral trade in China’s favor, and talk more about how best to manage clashes along the LAC (Kaura, 2020, pp. 504–505). Then, a little over a month later, Modi went to Singapore to deliver the keynote at the Shangri-La Dialogue. The speech was the most comprehensive statements of his government’s approach to the region, as well as a thinly veiled appeal to Southeast Asian leaders to embrace the concepts of the “Indo-Pacific” and a “rules-based” regional order (Ayres, 2018). It also made clear that for all the talk of a new “Wuhan spirit” of friendship and cooperation arising from the earlier Modi–Xi meeting, and the insistence the “rules-based” order be “inclusive”,

July 2021

2140001-11
New Delhi was aligning itself with its Quad partners and encouraging others to do the same (Pant & Saha, 2020, p. 192). And insofar as the language of the ASEAN Outlook on the Indo-Pacific, published in June 2018, echoed India’s understanding of the concept, Modi’s efforts were rewarded (ASEAN, 2019; Hall, 2020c).18

During the course of 2018, the Modi government also enhanced India’s defense cooperation across East Asia. It agreed a “Shared Vision Statement” on maritime issues with Indonesia and facilitated the first bilateral exercise with that country’s navy. Similar exercises were also conducted with Myanmar, Thailand and Vietnam (Pant & Saha, 2020, pp. 194–195). The Indian air force took part for the first time in Australia’s regular multinational air defense exercise, Pitch Black, alongside new fewer than 37 other bilateral defense dialogues, exchanges, or exercises (Hall, 2021, p. 10). With the United States, India held its first $2 + 2$ foreign and defense ministers meeting and signed a crucial military communications deal (Pant & Saha, 2020, p. 196). In parallel, it agreed to similar annual ministerial-level talks with Japan (Jain, 2021, p. 86).

The first part of 2019 was consumed by a general election campaign and by renewed hostility with Pakistan, which was blamed for backing the terrorists who killed 40 Indian paramilitaries in Kashmir in mid-February. On the dust had settled, however, matters returned to a familiar pattern, with disputes in Sino-Indian relations arising mainly from the issue of the border, rounds of personal diplomacy that failed fully to resolve them, and efforts to strengthen India’s strategic partnerships, especially with the US. In August, the Modi government announced the revocation of a constitutional provision (Article 370) that gave the state of Jammu and Kashmir special status and its division into two so-called Union Territories, subject to greater federal control: Jammu and Kashmir, and Ladakh. This prompted an outcry from Beijing, which claims part of Ladakh, as well as from Islamabad (Kaura, 2020, pp. 506–507). The next month the Indian prime minister went to Texas to attend a large rally of diaspora Indians billed as “Howdy, Modi”, at which he met Trump, and invited the US President to visit India early in 2020. Then in October, Modi welcomed Xi to Chennai for a second “informal summit”, but beyond photo opportunities, this meeting ended like the first, with few substantive outcomes beyond more talks on bilateral trade (Pant & Saha, 2020, p. 192).

Soon afterwards, in early November, New Delhi unexpectedly announced India was pulling out of negotiations for an ASEAN-centered Regional Comprehensive

---

18It should be noted that Modi made an important visit to Indonesia around the time of the Shangri La speech, and earlier, in January 2018, welcomed ASEAN leaders as the guests of honor at the Republic Day parade.
Economic Partnership (RCEP), in which China is also involved, surprising and upsetting partners like Australia and Japan, as well as Southeast Asian states. The Modi government’s reasoning was clear, even if its partners did not agree with it: the access to the Indian economy that RCEP would give Chinese firms posed too great a danger. New Delhi argued that Indian farmers and manufacturers would face unfair competition from cheap or dumped goods, mostly from China. Of course, long-standing suspicion of international trade and finance in India clear on all sides of politics, including within the BJP, also played a role in this decision, as did concern about existing domestic criticism about the unfavorable balances of trade India already had with China and many Southeast Asian economies. But fear and mistrust of Beijing loomed largest in the decision, even if it is making up the damaged ties with its regional partners who are willing and able to help India manage the national security challenge that China now represented (Gupta & Ganguly, 2020).

COVID-19 and Pandemic Strategy

In late February 2020, Modi hosted “Namaste Trump”, a two-day jamboree in honor of the visiting US President, and signed a deal to buy US$2.6 bn in military hardware (Migliani, 2020). This was to be the Indian leader’s last in-person summit for the rest of the year. At that point, the COVID-19 pandemic intervened, preoccupying New Delhi as it did other capitals. It soon became clear, however, that despite the health emergency Beijing was preparing to exert further pressure on India. In May, if not earlier, PLA units crossed the LAC in Ladakh, establishing new positions overlooking India’s strategic Depsang–Daulet Beg Oldi road and around Pangong Lake. Clashes followed, leading up to a confrontation in the Galwan Valley in which 20 Indian soldiers were killed, along with an undetermined number of Chinese troops, on June 15, 2020. This loss of life was the first in four decades and the shock it inflicted was compounded by the subsequent refusal of the PLA to return to their original positions, at least until a disengagement plan was agreed in February 2021 (Tarapore, 2021). In response, India scrambled to deploy troops, build the necessary infrastructure to allow them to overwinter at high altitudes, and make emergency purchases of a wide variety of defense materials. It banned a number of Chinese apps available in India and moved to limit Chinese investment in the technology sector. It also intensified its cooperation within the Quad, which held two ministerial level meetings during 2020, in a range of areas, from cybersecurity to infrastructure and supply chain resilience (Pant & Saha, 2020).
This chain of events showed how far India had moved away from the strategy the Modi government had inherited and adopted from its predecessor, one that Rajesh Rajagopalan (2020) has usefully termed “evasive balancing”, in which New Delhi gradually but relatively quietly aligned itself with the US and its allies but attempted to engage China diplomatically and economically. Now, in plain sight, India was decoupling from China and balancing against it. This shift towards this new strategy began, as I have argued, after the Doklam crisis, but was masked, to a degree, by the diplomatic niceties of the Wuhan and Chennai summits. India’s economic and defense policy responses to COVID-19 and Galwan, however, laid the new approach bare. In May 2020, the Modi government unveiled what it called the Atmanirbhar Bharat Abhiyan (“Self-Reliant India Campaign”), intended to build resilience in critical industries, such as pharmaceuticals, push once more to expand the manufacturing sector, shift supply chains away from China, and drag India out of a deep COVID-induced recession (Palit, 2020). In July 2020, it then announced plans to upgrade India’s capacity to confront the PLA on the LAC, spending US$5.5 bn on additional fighter aircraft from Russia, American howitzers, and Israeli anti-tank missiles, as well as a range of domestically produced systems (Raghuavanshi, 2020). By mid-2020, if not before, the outline of New Delhi’s new grand strategy was obvious: India had determined to oppose the emergence of a Sino-centric regional order in the Indo-Pacific by bolstering economic self-reliance and military power, as well as enhancing strategic partnerships with like-minded states.

**Conclusion**

Since 2014, the Modi government’s grand strategy towards East Asia has passed through three distinct stages. During the first, which lasted until mid-2017, the approach was much the same as India pursued since the mid-2000s, barring some more overt assertion of interests: New Delhi tried to engage Beijing diplomatically and economically, while developing trade, investment, and security relations with the rest of East Asia and the US. This strategy failed, however, to bring about any improvement in relations with China, which continued to up the ante, especially with regard to BRI and the growing presence in South Asia that the initiative entailed. During the second phase, after Doklam, the Modi government recalibrated the approach, relying on personal diplomacy with Xi himself to at least articulate India’s interests, if not perhaps to resolve differences, but intensifying efforts to strengthen strategic partnerships with other major powers in the region, not least through the Quad. India’s strategy
became less “evasive” and more open (Rajagopalan, 2020). The large-scale incursions by the PLA across the LAC in 2020 suggest, however, that this strategy failed to deter China from applying more pressure, however, resulting in a final — as yet incomplete — change. New Delhi is now in the process of revising its approach once more, this time towards one that places greater emphasis on balancing China both internally, through enhanced military capabilities, and externally, with defense and security partnerships with multiple regional powers.

Whether this strategy will work is yet unclear. The renewed stability in the US policy provided by the advent of Joseph R. Biden’s Presidency should, however, assist India. The new administration has clearly committed itself to strengthening the strategic partnership and aside from a misstep in April 2021, when Washington failed to act quickly to assist New Delhi’s effort to tackle a huge new wave of COVID-19 infections, the relationship appears to be robust (Clary, 2021). More open is the question of whether New Delhi’s new approach to managing China — especially its emphasis on economic self-reliance — will undermine its relations with other East Asian states. Japan and several Southeast Asian countries remain keen to strengthen their defense and diplomatic cooperation with India, with an eye on China’s rapid rise and uncertain intentions. But equally, they have long been interested in the economic opportunities India presents and convinced that greater economic integration with India would be beneficial for all. This is the area where New Delhi has disappointed again and again. Domestic political opposition within India has slowed or stifled economic reform and greater openness to trade and investment. Latterly, the intensification of fear of China’s economic power is pushing New Delhi in the opposite direction, towards higher barriers and more “self-reliance”. Today, as in the 1960s, Sino-Indian relations are defining India’s relations with the rest of the region in ways both positive and negative.

References


