

FPC Briefing: China and India's Common Challenges *En Route* to Great Power

Dr Chris Ogden

Global attention is increasingly turning towards Asia as the concurrent rises of China and India signify the nascent stages of the Asian 21st century. As part of this focus, greater reflection is being given to the standing that India and China have held in the past; their natural primacy as great powers in terms of demographics, economic clout and landmass; and how they look set to dominate global politics over the coming decades. Mixed up with these factors concerning their dual emergence are also expectations about what kind of powers they will be, and indeed what kind of powers they *want to be*. Here, deliberating what constitutes existing and historical great powers is important (a group typically including the United States (US), Russia, the United Kingdom (UK), China, Japan and India) but also whether their accreditation has been consistent or if it has evolved. Critically, we must better consider what exactly constitutes great power within international relations, and give further attention to how any such “greatness” can be measured. Despite China and India's current high annual GDP figures, both states are facing myriad common challenges that may stall or annul their expected contemporary and future trajectories, something often overlooked in debates concerning a global shift from the West to Asia.

Economic and Militaristic Considerations of Great Power

Economic strength has been a precursor and prerequisite for the assignation of great power status, a phenomenon that accounts for India and China's increasing international visibility over the last decades. Having large working populations, as well as large landmasses (and commensurate resources) underpins, sustains and ameliorates the ability to acquire economic power. As such, the analysis of historical global manufacturing shares and the location of major trade centres serve as a useful way to pinpoint previous great power rises, statuses, and transitions. Therefore, in the 1500s, the world's major trading centres were Ming China, the Ottoman Empire (including its Muslim offshoot in India), Muscovy and some European states. Symptomatic of this importance, by 1600, China and India each respectively accounted for 29.0% and 22.4% of total world GDP¹. From 1660 to 1815, as global trade became more Europe-centric, this focus then shifted to France, Britain, Russia, Austria and Prussia. By the late 1880s, primarily through the dominance of its empire, Britain accounted for 22.9% of total global trade².

With the expansion from a European-dominated to a more globally-based economy in the 1880s, the system saw the gradual emergence of the US as the major international player, who accounted for 38.5% of total world GDP by the 1960³. This correlation between rising trade shares in relation to rising status continued into the 1980s and 1990s, with global manufacturing becoming increasingly concentrated in Asia. This re-concentration furthermore presaged the rise of Japan (14.5% of global GDP in 2000⁴), as well as the consolidation of European Union (EU) as a whole (27.1% of global GDP in 1990 and 23.1% in 2000⁵). In the last decade, economics have also highlighted the re-emergences of India and China, with China's reform period beginning in the late 1970s and India's in the early 1990s. Since 1980, China's share of world GDP rose from 1.75% to 9.3% in 2010, whilst India's grew from 1.6% to 2.7%⁶. Moreover, because they have been consistently outstripping Western states in terms of annual GDP growth over

¹ Maddison, Angus (2003) *The World Economy: Historical Statistics* (Paris: OECD), 261.

² Kennedy, Paul (1988) *The Rise and Fall of Great Powers: Economic Change and Military Conflict from 1500 to 2000* (London: Unwin Hyman), 149.

³ World Bank (2012) 'Gross Domestic Product', *The World Bank – Data*. Accessible at <http://data.worldbank.org/>

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

the last three decades (at around 10% / annum for China, and around 6% / annum for India), Asia's largest powers are predicted to have the world's two largest economies by 2050⁷.

Essential to these debates is how economic strength is dependent upon its relative distribution among states, the fact that it is relational (in terms of signifying the rise and fall of powers within the international hierarchy), but most importantly, how it is converted into other kinds of power in the international system. It is here that the dual rise of India and China is most clearly affecting global security priorities through the mounting concern focused upon their rising military budgets. While much has been made of the US's military budget continually surpassing that of most other states put together, it is the rates of expansion witnessed by Asia's rising powers that is causing alarm, especially in conjunction with high GDP growth rates. It is Asia's rapid rise versus the West's relative stagnation that is driving these perceptions, underscored by empirical data. Thus, for example, if the US and China expand their budgets at the same rate as they have been doing so between 2000 to 2009, China would be expected to have the world's largest military expenditure by around 2035⁸. The key caveat here is the US's current (and relative) stage of development whereby it has the world's most advanced capabilities, and which cannot be automatically paralleled purely by equalling or exceeding US military expenditure.

Moreover, military modernisation is often regarded as the means by which great power can be achieved, if only as a way of advertising it in a symbolic sense. India's 1998 nuclear tests are a case in point here, and the associated expectation that they would inevitably lead to her gaining a permanent seat on the United Nations Security Council. Supplementing these observations, India was the world's leading arms purchaser from 1999 to 2006⁹. Furthermore, in 2011 India again became the world's largest importer and accounted for 9% of all global arms imports in the preceding five years¹⁰. Via a series of agreed purchases (primarily from Russia, the US and Israel), which are intended to modernise her naval and air force capacities, India is projected to maintain this status until at least 2015¹¹. In particular, India will be second only to the US in terms of aircraft carriers by the end of this decade, giving her solid global power projection capabilities. While direct invasion of states is now almost unacceptable in international relations, it is dominance that has typified the Cold War and post-Cold War periods, as states look to achieve hegemony. Such military power is thus now less offensively deployed, and often used to prevent instability, to ensure trade security and energy security, or to bolster specific bilateral relations. On both economic and military measures, both China and India look therefore set to overtake western powers.

Other Measures - Worldviews & Internal Issues

After the attacks of September 11 2001, international security has become more complex, as increased interaction through globalisation has confronted states with a variety of nascent non-traditional concerns. These concerns range from nuclear proliferation to transnational terrorism and the threat of asymmetric warfare. This higher degree of complexity has also demanded more comprehensive security approaches in order to deal with significant issues such as environmental degradation, the spread of disease, energy security, water access, drug and people smuggling. As a result, "all-directional cooperation" and preventive diplomacy have become more evident between states, as well as the need to include rising powers (such as India and China) within these debates issues because of their heightening visibility within the international system. Consequently, power (and moreover great power) can no longer be cast solely in its previous narrow focus upon economic growth leading to military supremacy. Instead, soft power (in terms of aspirational and non-coercive values) has become

⁷ PwC quoted in *The Guardian* (2011) 'GDP Projections from PwC: How China, India and Brazil will overtake the West by 2050', *The Guardian - Datablog*, January 7. Accessible at <http://www.guardian.co.uk/news/datablog/2011/jan/07/gdp-projections-china-us-uk-brazil#data>

⁸ See SIPRI (2012) 'Military Expenditure Database', *Stockholm International Peace Research Institute (SIPRI)*. Accessible at http://www.sipri.org/research/armaments/milex/milex_database

⁹ Kronstadt, K. Alan (2008) *India-US Relations* (Washington: Congressional Research Service), 46.

¹⁰ BBC (2011) 'India is World's "Largest Importer of Arms", Says Study', *BBC News, World Edition*, March 14. Accessible at <http://www.bbc.co.uk/news/world-south-asia-12729363>

¹¹ Ibid.

increasingly ascendant in institutional settings concerning the guiding principles and values underpinning international relations.

In light of these observations, do China and India share the largely western-dominated worldview of what constitutes a great power? And, more intrinsically for the future of the international system, can they be measured in the same way as previous generations of great powers? Here we can see some critical differences. Fundamentally, in terms of how they view the international system, both China and India resolutely believe in an inclusive multi-polar world (whereby there are multiple poles of influence and power) – a belief that informs a worldview that is anti-hegemonistic. Such poles are typically themselves plus the US, Russia and the EU. These sentiments reject the domination of the international system by any one power – a view contrary to many western perspectives of the global order in the 19th and 20th centuries. In turn, India and China share key strategic outlooks concerning non-intervention, and strict anti-imperial and anti-colonial views (courtesy of their own historical experiences / exploitation by primarily western states which led to their mutual descent down the global hierarchy 200 years ago). Other shared beliefs regarding international peace and security; progress (i.e. development / modernisation); self-reliance and a desire for a more equitable / representative world, also substantially challenge most western-derived viewpoints concerning what constitutes the prevailing global order.

We must further consider the myriad of internal issues which both states face as they strive towards modernisation – and which have the potential to derail their pathways to greatness as they rise within international hierarchies. Some of these issues relate to China and India's ability to sustain current rates of economic growth, and critically rest upon ensuring a steady (and uninterrupted) supply of energy and raw materials. Here fuel (principally oil and natural gas) is the key ingredient to continued economic growth and thus to heightening (great) national power for both states. It is this essentiality that explains why both India and China are frequently willing to deal with states regarded as international pariahs (primarily Iran but also Sudan and Myanmar), whereby rising needs outweigh any international criticism. Furthermore, as both states develop further, these needs are being increasingly balanced against mounting indigenous (and international) environmental damage with China now leading global CO² emissions (India is currently fourth, behind the US and the EU)¹². High rates of domestic environmental destruction are also becoming a shared focal point for intensifying protest and unrest in both states. Other domestic challenges critically underscore China and India's rapid industrialisation, with both sharing more common challenges concerning high rates of inequality, corruption, and poverty, as well as the financing of huge, national new employment and social services provisions. The material gains of high economic growth thus have to be balanced against their often-destructive societal consequences.

In turn, we can also isolate social unrest, instability and separatist issues in both of Asia's largest states. In 2010 alone, 180,000 officially recorded "mass incidents" (defined as large-scale protests or riots that usually concern economic interests, corruption and civil rights, rather than political power) were reported in China¹³. Whilst not yet on this scale in India, both states have high levels of censorship, internet controls and general surveillance directed towards maintaining state security and stability. Building upon these factors, wider internal instability is also a concern for both New Delhi and Beijing. Here, there are separatist threats to the Indian landmass via the on-going issue concerning the status of Kashmir vis-à-vis Pakistan, as well as multiple pro-independence groupings in her northeast, and for China, liberation movements in her western provinces of Tibet and Xinjiang. Moreover, India continues to be beset by periodic explosions of communal violence between her various ethnic groups, as well as the presence of several indigenous (and active) terrorist / insurgent organisations across her landmass. The most potent of these groupings is the Naxalites, who are active in a third of India's states and caused

¹² CDIAC (2009) 'Top 20 Emitting Countries by Total Fossil-Fuel CO₂ Emissions for 2009', *Carbon Dioxide Information Analysis Center (CDIAC)*. Accessible at http://cdiac.ornl.gov/trends/emis/tre_tp20.html

¹³ Beach, Sophie (2011) 'Unrest Grows as Economy Booms', *China Digital Times*, September 25.

5,531 deaths from 2005 to 2011¹⁴. Collectively, these are issues that can seriously hold back India and China's projected rises, present them as negative systemic influences and reduce their future status.

A Confident but not Guaranteed Trajectory

In terms of their relative stage of development, both China and India are inherently behind the current crop of great powers. However, through the primacy of their continued economic expansion, at rates that are increasingly beyond the reach of western states, both countries appear set to gradually increase their shares of total global GDP, presaging their re-emergence as 21st century great powers. Further underlining how they are both firmly *en route* to achieving this status in the coming decades is the translation of their economic capabilities into military and systemic power, which is a nascent trend. India and China are also projecting specific worldviews (and their incumbent values) concerning how they wish the global order to function – something which challenges the western monopoly built up in this regard over the last 200 years or so (especially concerning hegemony and equality amongst states). These factors replicate previous great power rises (as per the historical record), yet are critically occurring at a rate (and under a level of scrutiny) never before witnessed in any era of international relations. Finally, western perceptions and rhetoric (“the rise of China”, “emergent India” and the “Asian Century”) are serving to further supplement and bolster these expected trajectories and self-realizations.

As we have noted though, there are myriad internal issues that both states currently share and which are critical, on-going and common challenges to their intended future international status. The seriousness of these issues is often seen in very existential terms for the leaders of China and India. As such, concerning corruption, outgoing Chinese President Hu Jintao stated in November 2012 that, ‘if we fail to handle this issue well, it could ... cause the collapse of the party and the fall of the state’¹⁵. In turn, Indian Prime Minister Manmohan Singh has referred to Naxalism as ‘the single biggest internal security challenge ever faced by our country’¹⁶. These observations lead to two important conclusions. Firstly, analysts, scholars and states need to be increasingly wary of assuming that factors that seem presently inalienable (for example, consistently high GDP growth rates in China and India) will continue indefinitely into the future. As such, the current trajectories of India and China are by no means certain nor are their various internal difficulties by any means easily surmountable. Secondly, it is important to recognise that having world-leading GDP figures does not automatically equate to being a great power. Whilst in the past, the translation of economic strength into military might was the route to greatness, for post-colonial states such as India and China, it will be the articulation of their values and worldviews (especially to developing states across Asia, Africa and Latin America) that will critically delineate, characterise and cement their rises.

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To contact the author, please contact him via cco2@st-andrews.ac.uk

¹⁴ See SATP (2012) ‘Fatalities in Left-Wing Extremism: 2005-2012’, *South Asia Terrorism Portal*. Accessible at http://www.satp.org/satporgtp/countries/india/maoist/data_sheets/fatalitiesnaxal05-11.htm

¹⁵ Quoted in BBC (2012) ‘China Party Congress Wraps up Ahead of Leadership Unveiling’, *BBC News Online*, November 14. Accessible at <http://www.bbc.co.uk/news/world-asia-china-20321386>

¹⁶ Quoted in Thottam, Jyoti (2010) ‘India’s Scourge’, *TIME Magazine*, October 24. Accessible at <http://www.time.com/time/magazine/article/0,9171,2026792,00.html>