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## China now

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**Peter McDonald** Demography and economic modernisation

**William H Overholt** Foreign policy of an anxious adolescent superpower

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*From the editors' desk*

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While many rejoice in something like 'normality' after the years of disruption by the global COVID-19 pandemic, the world will not resume its former shape. Nowhere is this more evident than in China. So what will China be like now?

The pandemic upturned normal life in China as it did around the world. As 2023 brings something like a return to normality in China, deeper currents are also coming to the surface. This issue of *East Asia Forum Quarterly* canvasses a range of shifts in Chinese society and daily life. It describes how women have been at the forefront of calls for social change, refusing to play their traditional subservient role; it explains how the rapid ageing of China's population is not likely to affect China's economic modernisation over the coming two decades at least; it examines the difficulties faced by rural migrants and in investing in the education of the rural young; and it details how individuals and community groups are responding to the poorly understood social credit system.

After the disastrous economic performance of 2022, recalibration of China's policies was essential, including through a retreat from zero-COVID and relaxation of restrictions on the free market under the banner of 'Chinese-style modernisation'. While the economy is expected by Chinese economists to grow by 5–6 per cent this year, flagging domestic consumption remains a concern. Policy responses to China's macroeconomic challenges include deeper integration with the global market and boosting multilateral engagement, with a specific focus on the World Trade Organization, Belt and Road Initiative and Asian Infrastructure Investment Bank. China is also doing more at home and abroad to confront the looming climate crisis.

As the world watches China's leader Xi Jinping with an increasingly sceptical eye, China is now trying to get back to business.

China's greatest post-pandemic challenge, however, will be the terms of its engagement with the outside world. The tensions between economic progress and individual freedoms, as reflected in Hong Kong, over the status of Taiwan and its role in US–China relations, and between the nature of its domestic political system and globalist foreign policy objectives, all define China, for one of our expert analysts at least, as an 'anxious adolescent superpower', claiming at once both developing nation status and global leadership.

Asian Review explores India's aspiration for a multipolar global order and the opportunity for plurilateral initiatives by Asia's economic powers.

Jocelyn Chey and Ryan Manuel

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COVER PHOTO: People attend a ceremony at Tiananmen Square to mark the 71st anniversary of the founding of the People's Republic of China (Beijing, 2020). Carlos Garcia Rawlins / Reuters.

# India in a world of asymmetrical multipolarity

JAGANNATH PANDA

**I**N THE past decade, an irreversible momentum has gathered in global geopolitical transitions, involving the fragmentation and reconfiguration of the international order. This is largely due to the emergence of the Indo-Pacific as the global centre of gravity. Obituaries of the US-led liberal international order might exaggerate reality but the shift towards multipolarity is certainly in motion.

The primary reason for this shift in power has been the continued rise of China and the strategic complications this has brought. These include the

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India is working towards a multipolar world that revolves around a multipolar Asia. One that brings Indo-Pacific middle powers together to achieve common developmental goals.

growing US–China hegemonic tussle and the geopolitical compulsions of other powers, particularly among the Chinese economy-dependent Asian states. Influential Asian states of varying economic and political weight—often clumped together as ‘middle powers’—have been particularly vulnerable to the dilemma of high-stakes security versus economic interests.

Russia’s war in Ukraine hastened the transition’s reckoning. On the one hand, US treaty allies in the Indo-Pacific—Japan, South Korea and Australia—have chosen to castigate Russia through economic sanctions and non-lethal military aid to Ukraine. On the other hand, a significant number of states—with China and India at the forefront—have remained non-committal. These states have highlighted the growing divergence between the North and South, citing the war’s asymmetric impact on the developing world.

Russia and China proclaimed the emergence of a ‘new multipolar order’ in a February 2022 joint statement and in overtures at the Brazil, Russia, India, China and South Africa (BRICS) and Shanghai Cooperation Organisation (SCO) summits. This new multipolar order weaponises the developing world’s resentment against the West. But authoritarian states are not alone in advancing multipolarism.

Major and middle powers across the

world are also considering their own distinct outlooks in a multipolar world. In 2022 German Chancellor Olaf Scholz noted that Russian President Vladimir Putin’s invasion of Ukraine marks a *Zeitenwende*—a turning point or watershed era—in global politics. Scholz’s statement that an ‘epochal tectonic shift’ towards a decidedly multipolar world order not only seems inevitable, but could also resurrect effective multilateralism with the right leadership. In the Indo-Pacific, most so-called middle powers—from economically rich Japan, Australia and South Korea to rising India and emerging Southeast Asian states—are asserting their growing global profiles. They do not want to remain passive subjects to the whims of US–China bipolarity.

India—a pivotal state and beneficiary in the democracies versus autocracies contest—seems the most committed to the idea of a multipolar Asia and a multipolar world. India has not only raised its global profile via adept diplomacy but has also become the self-appointed leader of the developing world. More importantly, India strives to amplify the voices of the Global South as part of a much larger ambition: to shape a multipolar world that rejects great power politics, reflects diversity and hinges on inclusive cooperation.

A large number of India’s multipolar aims are geared towards creating

opportunities for its own growth and shedding the fetters of a perpetually 'emerging' middle power. India seeks to transform into a globally recognised responsible power that affects meaningful change, through its longstanding goal of gaining a permanent seat in the United Nations Security Council (UNSC).

**T**HE evolution of Indian foreign policy has often been seen through the prism of non-alignment. India's pointed multi-alignment trajectory has embraced realpolitik. This is evidenced by India's recent handling of the Russia–Ukraine war and the West-versus-Russia conundrum. India has adroitly

projected itself as a neutral centrepiece between ideological rivals, with China and the West vying for India as leverage in Indo-Pacific geopolitics. Modi's invocation of peace not war to Putin at the September 2022 SCO summit exemplified India's new push to great power status, a key aspect of its multipolar world vision.

India's so-far successful hedging between Russia, its top security and energy partner, and the United States, its top trading partner, is reminiscent of the US–China dilemma faced by most Asian states. But Russia–China competition presents a distinct challenge to India. Russia is India's historical partner while China has been a constant adversary.

China's contentious rise and its increasingly militant behaviour in the Indo-Pacific has propelled India's inclusion into a US-led Indo-Pacific institutional architecture. This takes shape primarily through forums such as the Quadrilateral Security Dialogue (Quad) and Indo-Pacific Economic Framework for Prosperity (IPEF). With a long-drawn vision to improve its standing, India also seeks to capitalise on the strategic rewards from China's increasingly acknowledged global status as a strategic threat—by expediting security, defence, technological and economic partnerships, from the EU's Global Gateway to the North Atlantic Treaty Organisation's Strategic Compass to

PICTURE: DITA ALANGKARA / POOL VIA REUTERS



Japanese Prime Minister Fumio Kishida, Indian Prime Minister Narendra Modi, French President Emmanuel Macron, Indonesian President Joko Widodo and Australian Prime Minister Anthony Albanese share a light moment on the sidelines of the G20 summit (Bali, 2022).

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Japan's National Security Strategy.

Such fears and antagonism consolidated in 2022 for multiple reasons. China's 'no limits' partnership between Moscow and Beijing—as opposed to India's 'principled' Russian stance based on pure national interests—is one. Other reasons include increased manoeuvres by China in the Taiwan Strait and Chinese President Xi Jinping's absolutist re-coronation at the 20th National Congress of the Chinese Communist Party.

Border clashes have also accelerated mistrust. Tensions following the Galwan Valley attack in 2020, which killed at least 20 Indian soldiers, have only escalated since the Tawang skirmish in December 2022. These

clashes have resulted in an assertive India refusing to kowtow to China's aggressive manoeuvres along the border, with New Delhi prioritising its national interests over piecemeal cooperation with China.

China is India's foremost security challenge and is gradually being recognised as a permanent threat. China-India conflict is not limited to the border dispute along the Line of Actual Control. It also encompasses the maritime domain, particularly in the Indian Ocean region where India has been a traditional security provider. Besides the contentious China-Pakistan Economic Corridor, China's infrastructure development in the Indian Ocean region through the Maritime Silk Road also threatens

PICTURE: ADNAN ABIDI / REUTERS



India's Prime Minister Narendra Modi waves to supporters during a roadshow in Varanasi (2019).

the regional status quo. As a result, India has been steadily consolidating its continental and maritime security through greater security collaboration with the United States and defence pacts with Indo-Pacific partners such as Japan, Australia and Vietnam.

India is pursuing across-the-spectrum bilateral engagements with states that have significant stakes in Indo-Pacific stability, including the United States, the European Union, individual EU members, Japan, South Korea and Vietnam. New Delhi is also working with trilateral, minilateral and multilateral forums such as IPEF, the Quad and I2U2, a new grouping comprising India, Israel, the United Arab Emirates and the United States.

Growing outreach to Central Asian states to counter China's influence also comprises an important aspect of India's multipolar vision for Asia, particularly after the United States' disruptive withdrawal from Afghanistan. India's mostly stable ties with Russia, and its engagement with China in forums largely catering to the developing and emerging economies of the Global South—such as BRICS, the Asian Infrastructure Investment Bank, the Russia–India–China Forum and the SCO—should also be seen in this context.

India hopes to maintain parity between its multipolar ambitions via such varied partnerships. And Prime Minister Narendra Modi's multidirectional policy initiatives—including Neighbourhood First, Act East, Act West, Security and Growth for All in the Region and the Indo-Pacific Oceans' Initiative—have been instrumental in propelling this trajectory.

Regional cooperation and participation are important pillars of these Indian initiatives in the absence of a definitive Indo-Pacific strategy.

India's Asia vision encompasses an inevitable multipolar evolution in the Indo-Pacific strategic landscape. This shift will arise from reconfigured US power dynamics, China's growing might and its geopolitical engagement with Japan, India, Australia and the EU, the changed policy orientation of South Korea and ASEAN centrality.

INDIA'S goal remains the pursuit of development-focused national interests. Besides protecting India's borders and territorial integrity, this includes easing food, health, climate and energy concerns, creating quality infrastructure, helping reform global governance mechanisms and ensuring regional stability. India aims to achieve national and regional developmental goals without getting caught in the US–China hegemonic game, as evidenced by New Delhi's disinclination to join designated blocs.

Preserving strategic autonomy is an essential objective for New Delhi. Foreign Secretary Harsh Shringla has interpreted strategic autonomy as *atmanirbhar*—self-reliant thinking drawn from Indian philosophical practices—and adopted this 'Indian nature of strategic thinking' as the first pillar of Indian diplomacy. This approach has been described by India's Minister of External Affairs Subrahmanyam Jaishankar as the 'legitimate pursuit of flexibility without seeking exclusivity'. That is, India is free to pursue ties with all states that serve its interest, but within the rules-based realm. It is about 'exploiting opportunities' to enhance national interests and using diplomacy to broaden global influence.

India's multipolar focus is its second pillar of diplomacy. India envisages itself as a major pole in global politics, after the United States, Russia and China. For a long time, India has

been dubbed a state with enormous potential due to its economic, demographic and political scope. But it has remained a middle power and has been unable to tap into this promise.

Still, India has started to assume the political clout that will enable it to move beyond the middle power construct and close the gap with major powers. India has been gaining confidence by unapologetically forging relations to maximise its position, without obviously alienating partners and rivals.

Asian unity has always been central to India's future worldview. At the sixth Asian Leaders' Conference in 2015 Modi said that his 'Asia dream is one in which all of Asia rises together'. In other words, India is working towards a multipolar world that revolves around a multipolar Asia. One that brings Indo-Pacific middle powers together to achieve common developmental goals. India's extraordinary push for multidirectional outreach with middle powers is essential to reconfigure the region's stability. But as Modi warned

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There is potential for India to resist China's total control over Asian governance through outreach to the developing world within China-dominated forums...

... forging consensus on rules that are acceptable to multiple states with distinct political weightage is itself a challenging endeavour.

in 2015 and 2018, rivalries between regional states will hold Asia back and hinder the transition process.

In that vein, India rejects China's version of a multipolar world that stresses antagonism with the West and propagates an imperialistic 'China dream'. But a bipolar world will not serve Indian interests either. India seeks a multipolar world that keeps both the United States and China in check through a global redistribution of power, commitment and accountability. Achieving this entails reform within international institutions, a goal that it has been advocating for many years.

But China is hindering Asian representation, while serving platitudes for increased diversity in international forums such as the United Nations. Greater Asian diversity would impinge on China's motives for regional dominance, deter Beijing from using its political clout as a diplomatic weapon and diffuse the advantage of China's power concentration. Maintaining the status quo in the UN grants China disproportionate representation as the lone Asian representative.

China's opposition to India's bid for a permanent UNSC seat can

be seen through this lens. China's official policy on India's entry into the UNSC as a permanent member is equivocal. While supporting increased representation of developing countries through democratic consensus, it skirts the India question. Beijing's framing of Kashmir as a UN-disputed territory and its veto on the UN listing of Pakistani terrorists involved in attacks on India suggest that China would never acquiesce to India's bid.

**U**NTIL India achieves parity with China through permanent participation in international bodies such as the UNSC, it cannot capitalise on its global power projection. Herein lies the China–India cooperation–rivalry conundrum.

It is also foolhardy to compare India to China. Besides the markedly different socioeconomic and political landscapes, China is leaps and bounds ahead in the economic, technological and military domains.

A lack of robust infrastructure and a weak manufacturing sector mean that India is not in a position to steer real growth. Indian policymakers are nonetheless intent on providing momentum to the present 'multi-alignment' trajectory in the hope of solidifying India's regional hold in the long term.

There is potential for India to resist China's total control over Asian governance through outreach to the developing world within China-dominated forums, such as the expanding SCO and BRICS+. This is important because it seeks to deter China from coalescing a section of the non-Western world to further its own multipolarity with 'Chinese characteristics' and 'true multilateralism'.

Multipolarity becomes a tool for

India to negate China's impact on its global power access. Establishing 'like-minded' and 'equal' partnerships grounded on shared interests, values and norms could combat Chinese unipolarity.

Criticism of such a multipolar world as transactional politics, which provides only questionable stability, is valid. This is because forging consensus on rules that are acceptable to multiple states with distinct political weightage is itself a challenging endeavour. But some have surmised that deft governance could ensure greater balance among world powers, so as not to endanger the already fragile stability.

The revitalised Quad is one such example of deft governance—among other flourishing Indo-Pacific minilaterals that are committed to values beyond national interests. The Quad is also a harbinger of effective multipolarity, as envisioned by India, in times to come. If India's grand projections for its hosting of the G20 and SCO summits in 2023 are anything to go by, the concrete benefits of multipolarity will become apparent in the near future.

As things stand, we could enter into a world of asymmetrical multipolarity, where stronger poles still dominate but several major powers cooperate and coexist. **EAFO**

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