

China-India Brief

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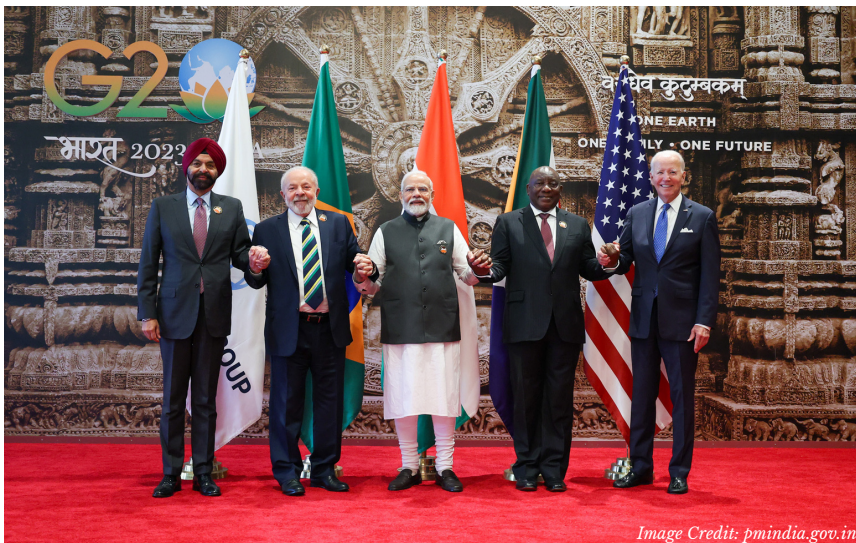


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Guest Column

The G20 Summit: India takes on China for Leadership of the Global South

By Byron Chong

The Group of 20 (G20) Summit that concluded earlier this month in New Delhi has been hailed as a resounding success for India's global image. As chair for this year's event, India announced a slew of new initiatives that championed the interests of developing nations, allowing it to position itself as a serious contender to China for leadership of the Global South. In fact, many of the deals reached could be interpreted as attempts to weaken Beijing's sway over the developing world.

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The *China-India Brief* is a bi-monthly digest focusing on the relationship between Asia's two biggest powers. The Brief provides readers with a key summary of current news articles, reports, analyses, commentaries, and journal articles published in English on the China-India relationship. It features a Guest Column weighing in on key current issues in China-India relations.

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Overall, the summit not only highlighted India's intensifying rivalry with China, but also underscored India's importance to the United States (US) and its allies in their efforts to counter China's global influence.

Countering China

Among the key outcomes of the two-day gathering was the admission of the fifty-five member African Union (AU) into the G20. The move greatly expanded the representation of developing countries within the bloc and aligned with New Delhi's goal of promoting itself as the 'voice of the Global South.' However, India's decision also served to weaken China's immense influence in Africa. Drawn by an abundance of natural resources and huge export markets, Beijing has been strengthening diplomatic and economic ties with many African nations over the last decade. Bringing the AU into the G20 would be a way to improve engagement between its members and other developed countries and loosen China's grip over the continent.

Another announced initiative was the plan to reform multilateral development banks (MDBs) and expand their lending capacities. Besides improving access to funding for developing countries, the move could also be an attempt to weaken China's influence and status as the key source of developmental loans and aid for poorer nations. If MDBs could offer more attractive financing options to developing nations, they would be less inclined to seek Chinese loans.

Perhaps the most overt indication of India's intention to compete with China was the announcement of the India-Middle East-Europe Economic Corridor (IMEC). A massive rail and shipping project that will connect India with Europe through the Middle East, the IMEC is clearly meant to challenge China's own global infrastructure project, the Belt and Road Initiative (BRI).

Xi's Absence

Despite its many positive outcomes, the summit was marred by the absence of Chinese President Xi Jinping. No official reason was given, though significantly, this was the first time a Chinese leader has failed to attend the annual summit since it began in 2008.

Xi's decision to stay away could have been motivated by long-running tensions with India. Their latest border standoff has been ongoing since 2020 and show no signs of resolving anytime soon. China has bristled at India's expanding security cooperation with the US and its allies as well as its membership in the Quad—a grouping widely seen as an effort to counter China's rise. Bilateral relations have also been strained by New Delhi's stronger opposition to Beijing's South China Sea claims and its expanding restrictions over Chinese apps and investments over recent months. And at the recent BRICS summit in August 2023, Xi's proposal to expand the grouping's membership reportedly faced opposition from Indian Prime Minister Narendra Modi. While Xi ultimately got his way, Modi's objections may have been seen as a personal



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affront. Choosing to skip the G20 Summit hosted by India could thus be Beijing's way of signalling its displeasure and humiliating New Delhi.

Xi may also have guessed (rightly) that he would get a frosty reception at the G20. His closest ally—Russian President Vladimir Putin—was not attending, and many of the other G20 members were either US allies or its close security partners. Among such a hostile crowd, Xi likely feared that the other leaders would gang up and pressure him into accepting initiatives that were not in China's best interests. Coming at a time when Xi faces rising criticism at home for his handling of China's economic woes, and emerging cracks over his previously undisputed control of the Chinese Communist Party—reflected by the sudden and unexplained removal of his defence and foreign ministers, as well as a rare closed-door reprimand by senior party

officials—being seen as caving in to external pressure on a global stage like the G20 would have been taken as a national humiliation and politically disastrous for Xi. As such, the decision to send Premier Li Qiang in his stead, could have been Xi's way of avoiding personal, as well as national, embarrassment.

Another possibility is that China simply does not see the G20 as a priority anymore. In the past, China valued its membership in such international groupings as a means to engage with other major powers. Now however, with its immense economic and political influence, China can afford to be more selective. Beijing may have decided that it should prioritise those multilateral bodies that it can easily control or manipulate to serve its own global interests, like the BRICS. Conversely, for international frameworks where China commands less authority and influence (and potentially be

challenged), like the G20, it should take a backseat, or even try to undermine. Indeed, Xi's absence at the G20 was in stark contrast to his appearance at the recent BRICS Summit where he was given a red carpet welcome and featured front and centre.

India is the Key

Interestingly, the summit also highlighted India's importance to the US and its allies. New Delhi would not have been able to push through so many of its initiatives without the backing of its fellow G20 members. Ensuring India's successful chairmanship was a way to bolster its image as a global player and cement its leadership of the Global South. Through India, developed nations could more easily build paths to engage with emerging economies and push back against China's influence.

Washington's reliance on India to bridge the gulf with the developing world is unsurprising. American foreign policy over the last decade has focused primarily on upholding international rules and norms. Though important for maintaining peace and stability, and rallying allies and likeminded partners, such lofty principles hold little appeal for poorer nations. Indeed, America's political messaging often comes across as somewhat condescending for states grappling with day-to-day challenges of addressing infrastructure deficits, supply shocks and natural disasters.

Surprisingly, even China's outreach has been far from a universal success. Though Beijing has provided vast amounts of development aid and loans to developing

countries through its BRI projects, many have been left with crushing debt, fuelling an anti-China backlash. Moreover, its assertive behaviour in the South China Sea and elsewhere has only served to reinforce its image as a bully.

In contrast, India is seen as a less domineering and a more trustworthy partner which has been at the forefront of advancing the interests of developing nations, including efforts to reduce debt, improve health security, as well as accelerate digital transitions.

Yet, all this does not necessarily mean that India's leadership of the Global South is assured, or that China is out of the running. Most developing countries are highly pragmatic when accepting external assistance. So long as conditions are reasonable and sustainable, they are unlikely to turn down any lucrative opportunities—whether from India, China, the US, or Europe. In fact, many developing countries have taken advantage of the ongoing great power rivalries to further collaboration with multiple parties, since working with one does not preclude them from working with others. In such an environment, China knows that so long as it can continue to outspend India and the US in rolling out funding, it will retain its place of privilege and leadership among the developing nations. Beijing neither intends nor has reason to cede its position, and will likely double down given New Delhi's unmistakable tilt to the West and its increasingly overt attempts to counter China's rise.

Conclusion

This year's G20 Summit highlighted the growing contest for influence over the Global South. India demonstrated its ability to lead and represent the developing world, positioning itself as a viable alternative to China. While Beijing has focused its efforts on winning over friends through financial inducements and keeping the US and its allies out of the Global South, New Delhi's approach has centred on increasing the representation of developing nations in global governance and cooperating with—rather than confronting—the West. Xi's decision to skip the summit was likely an attempt to discredit the G20 as a platform for international economic cooperation. Yet, his absence allowed Modi to claim the spotlight and push his interests with little opposition.

Though a diplomatic victory for India, the summit also highlighted a potentially worrying sign—China's growing isolationism. If Beijing does intend to only prioritise forums that it can influence, then engagement opportunities—either official meetings or sideline discussions—would drastically reduce, and the gulf between China and India, as well as much of the West, will only widen. Addressing disagreements will become more difficult, and even finding common ground on key international issues such as climate change and sustainable energy would be increasingly challenging.

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