China-India Brief

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Guest Column

Chinese and Indian Responses to the Gaza War

By Daniel Markey

The war in Gaza, especially its disruption of maritime shipping through the Red Sea and potential to escalate into a wider regional conflict, threatens important Chinese and Indian material interests. Those threats have naturally conditioned aspects of the wartime policy responses from Beijing and New Delhi.

However, because neither China nor India perceives the war as a vital threat, and because neither wields great influence over its conduct or outcome, their policy responses have tended to reflect a range of other





The China-India Brief is a 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.

Centre on Asia and Globalisation cag@nus.edu.sg 469A Bukit Timah Road, Tower Block 10, Singapore 259770 https://lkyspp.nus.edu.sg/cag parochial aims. Above all, China has opportunistically turned the war into an exercise in diplomatic point-scoring against the United States (US). India, for its part, has clung stubbornly to a pre-war vision for the "new Middle East." For now, China's approach appears to be paying greater dividends, but India's policies already serve important domestic political purposes and might still pay off over the long run.

Common Material Interests Condition Some Policies

Despite its terrible human costs, neither China nor India is directly threatened by the violence in Israel, Gaza, or the West Bank. Indirectly, however, the escalation of the conflict by Houthi attacks on Red Sea shipping has already proven costly. Increased security risks and longer transit times associated with the diversion of container traffic to the Cape of Good Hope harm global producers and consumers alike. Rates to ship cargo from Shanghai to Northern Europe went from a pre-war \$581 per 20-foot equivalent unit to over \$3000 in January 2024. For India, because roughly half of its exports and 30 percent of imports would **normally** run through the Suez Canal, the war is estimated to cost India \$30 billion in exports this fiscal year.

In some ways, India and China have responded similarly to this threat. Neither has opted to join the US-led "Operation Prosperity Guardian" coalition or to actively target the Iran-backed Houthi militias, leaving those risky missions to others.

The Chinese navy is, however, **reportedly** escorting a small number of Chinese cargo ships through the Red Sea. And India's navy has **expanded** its counter-piracy and rescue missions in a bid to complement other maritime security efforts.

On the diplomatic front, Beijing and New Delhi each enjoy a modest degree of influence with Iran, but neither has found an effective means to force Tehran to squeeze the Houthis. For China, this may be especially galling, given that it is now the top buyer of Iranian crude. It is likely that both Chinese and Indian diplomats are trying to place greater pressure on Tehran, but as yet there is no sign of a breakthrough.

A further escalation of the regional conflict would threaten other Chinese and Indian interests, including the safety of their many workers based in and around the Gulf and the (possibly growing) number of Indian workers in Israel. Still, if the present circumstance is any guide, Beijing and New Delhi would not commit to military missions that pose significant risks for any purpose other than to evacuate their citizens.

Diplomatic Divergence

On the global diplomatic stage, China and India have pursued very different approaches to the Gaza war. The drama has mainly played out at the United Nations and in a handful of other forums where Chinese and Indian leaders have addressed leaders of the global South.



Overall, their starkly different approaches reflect other aspirations and preoccupations that have relatively little to do with the Gaza war *per se*.

From immediately after Hamas' October 7 terrorist attack to the present, China cast itself as a staunch defender of the Palestinian cause in a bid to appeal to the many states that routinely oppose Israel. In its public statements and state-backed propaganda, Beijing skipped any real condemnation of Hamas and has routinely mimicked popular, even clearly antisemitic, narratives. China has reliably voted in favor of cease-fire resolutions in the United Nations Security Council and General Assembly and has championed the Palestinian cause at the International Court of Justice.

Yet, throughout this entire episode, Beijing's principal target has really been the US. China has not taken significant material steps to assist Palestinian civilians, but it cynically appreciates that Washington's unpopular stance in support of Israel exposes the US to charges of hypocrisy in its selective application of liberal principles. Long a critic (and target) of American moralising and eager to cast doubt on US motives as a means to undermine the legitimacy of a world order backed by American power, Beijing has seized this chance with gusto.

Like China, India has sought to cultivate a leadership role in the global South. But quite unlike Beijing, New Delhi **initially focused** its public diplomacy on Hamas' horrific terrorist attack against Israel and has only gradually recalibrated its stance to **support** a December UN General Assembly vote for a humanitarian cease-fire in Gaza.

For Prime Minister Narendra Modi's Hindu nationalist government, the threat posed by Islamist terror groups has remained the most politically pertinent feature of the conflict. This marked a significant shift from earlier generations of Indian leaders who were less inclined to see India's terror threat as akin to Israel's, leaned in favour of the Palestinian cause, and tended to be far more critical of the US' role in the Middle East.

Decisive Shifts on Israel

Indeed, the starkest difference in Chinese and Indian responses to the Gaza war is found in how they have managed their relations with Israel. Whereas both Beijing and New Delhi have retained important ties to the Arab Gulf states and, as noted above, Iran, China's policies have cast its relationship with Israel into serious doubt while India has doubled down on its partnership with Jerusalem.

Nothing about Chinese actions has been welcomed by Israel. In October 2023, Beijing played host to Arab League leaders aligned in condemnation of Israel's early military operations in Gaza. The following month in November, Beijing released a policy statement that made no mention of terrorism or Hamas but focused on the question of Palestinian statehood. In January 2024, the Israel Defence Forces claimed to have found a stockpile of Chinese arms used by Hamas (although China denied providing the weapons).

By contrast, immediately after the October 7 attacks, Modi tweeted, "We stand in solidarity with Israel at this difficult hour." The message built upon decades of increasingly friendly bilateral diplomacy that burst onto the public stage during Modi's much-photographed 2017 visit to Israel. In addition to longstanding security ties, defence and technology trade, and a shared worldview that cast the two states as victims of Islamist extremism, Modi and Prime Minister Benjamin Netanyahu have united in their aim to build a new vision for the Middle East.

A seminal piece of that new vision, the "India-Middle East-Europe Corridor (IMEC)," was unveiled in New Delhi just weeks before the October Hamas attacks. IMEC came on the heels of several other innovative diplomatic initiatives, including the "I2U2" (an informal grouping of India, Israel, the UAE and US), and sprang from the foundational logic of the 2020 Abraham Accords. All of these efforts were aligned in the assumption that the Palestinian issue could be pushed to the side while the Middle East—including Israel but not Iran mobilized collective resources to promote economic development and connectivity with partners in Europe and Asia.

Since October, India has held fast to the promise of IMEC, and its leaders continue to hail its potential as a long-term strategy. Rather than perceiving the Gaza war as a fatal blow, India has continued to push the agenda with European leaders and to stress its underlying geoeconomic rationale.

India has also continued to deepen its direct relations with **Gulf partners**, especially the UAE, where Modi made his seventh trip as prime minister in February. Obviously, India can't bring the IMEC to life unless Israel finds its way back to the table with Gulf States, including Saudi Arabia. But New Delhi shows every sign of working to keep that option open and remains committed to partnership with Israel.

Lessons for the Future

All told, neither India nor China has assumed a central role in the Gaza war, either when it comes to providing collective security or leading core diplomatic initiatives. Chinese and Indian security policies are marked mainly by self-interest and risk aversion, contrary to the often overheated and overhyped expectations placed on these rising Asian giants.

That said, there are fascinating and important differences in how China and India have conducted their diplomacy since the start of the Gaza war. These differences reflect divergent strategic aims, both at the global and regional levels. They highlight significant policy shifts; ten years ago, Beijing and New Delhi would almost certainly have responded otherwise.

At present, China's approach looks to be the cleverer of the two. Beijing has undeniably profited from Washington's difficult strategic bind. Not only can China cheaply associate itself with a popular Palestinian

cause, but it can—for now at least—sit back as the US is once again pulled into the vortex of conflict in the Middle East (not to mention in Europe). Shipping costs included, Beijing may still come out ahead.

Meanwhile, India now pays a diplomatic price in the Global South and much of the rest of the world for its close ties to Israel (and even its tilt toward the US). Yet, it would be wise not to overestimate that cost. Overseas, India's long history of vocal antiimperialism inoculates it from many critiques. At home, Modi's political dominance and his ascendant ideology of Hindu nationalism insulate him from serious criticism and even render his support to Netanyahu's hardline Israeli government popular with his primary constituents. Looking to the future, if the Gaza war winds down without first becoming an even more devastating regional conflagration, India's persistent cultivation of relationships across the region could reopen the door to IMEC or a similarly beneficial collection of transregional initiatives.

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Guest Column

India and the Maldives' Post-election Shift towards China

By Jabin T. Jacob

The island nation of Maldives has made a visible turn away from close ties with India since Mohamed Muizzu assumed office as president in November last year. After having campaigned on an "India Out" platform, he was quick to ask New Delhi to remove some eighty naval technicians—mischaracterised as 'troops' since they do not carry weapons—from Maldivian territory. These personnel are stationed to maintain and operate three reconnaissance and rescue aircraft, donated by India.

India's Posture

While the Indian government has agreed to the demand, it also asked for more time than Malé's original deadline in March this year. One batch of Indian personnel will leave a few days before parliamentary elections in the Maldives in March while another batch will leave in mid-May. But there is a difference between the two sides on exactly what is transpiring. Muizzu explicitly declared in February that the Indian military personnel would be "withdrawn," but following the second meeting of the High Level Core Group between officials of the two countries an official Indian spokesperson stated that "the present personnel would be replaced by



competent Indian technical personnel."

This difference in how the two sides are characterising the development indicates at least two things in terms of India's evolving diplomatic behaviour in its neighbourhood, both of which have to do with concerns about Chinese influence. One, the Indian government seems to have learned from past experience to tone down public posturing or criticism involving leaders or political systems in the neighbourhood. Even if New Delhi continues to deny all involvement, the 2015 economic blockade of Nepal in response to constitutional changes in that country and its closer ties to China only turned ordinary Nepalese against India as well as encouraged local politicians to make even greater space for China. By contrast, India protested relatively mildly against the vituperative remarks made by three Maldivian ministers in January against Indian Prime Minister

Narendra Modi over his visit to and apparent promotion of India's Lakshadweep islands as an alternative tourist destination to the Maldives. The ministers were later suspended.

Two, even as India does not want to come across as publicly pressuring the newly-elected Maldivian leader, it still wishes to convey that Malé must be cognisant of Indian interests.

While Muizzu allowed the Chinese research vessel, Xiang Yang Hong 3 to stop at the Maldives for replenishment in early February, Malé also clearly indicated that it had not allowed any research activities in Maldivian waters. Concerns about these socalled research vessels have arisen because of the **record** of such Chinese ships operating illegally in India's exclusive economic zone (EEZ) and their role in asserting China's maritime claims in the South China Sea. The Xiang Yang Hong 3 had planned to berth at Sri Lanka initially but Colombo was more receptive to New Delhi's concerns and had denied access to the vessel. It is also worth noting here that India had been more willing, quick and generous in disbursement of aid to Sri Lanka following the island's worsening economic crisis in 2022 than China had been. With respect to the Maldives, too, India continues its development aid, increasing it this year to nearly US\$94 million from about US\$72 million the previous year.

One could read the two-stage 'withdrawal' and potential replacement of Indian personnel as indicating a degree of compromise by both sides. The Maldivian president cannot be unaware of the difference that proximity to India makes to his country's fortunes. While India is only the Maldives' fifth-largest trading partner, the latter is heavily dependent on its larger neighbour for food staples and other essentials. A drinking water crisis in the islands in 2014 caused by a fire at Malé largest water treatment plant, for example, saw India step up immediately. More wellknown is the 1988 intervention by Indian troops to counter a **coup** against then Maldivian president Maumoon Abdul Gayoom.

Muizzu, for his part, has been careful not to appear as leaning too closely towards China. His made his first official visit to Türkiye—indicating the slow rise in the influence of another player in India's immediate geography—before he visited China. Notably, the Maldives has also **signed** an agreement with a Turkish company to purchase drones designed to patrol its EEZ. While this suggests that he is serious about replacing India's aviation platforms in the islands, he did not turn either to China's equally prominent drone industry.

The Maldives' China Card

There might be limits to how far Muizzu will go to accommodate Indian interests, however, owing to domestic political factors in his country. His refusal to renew a hydrographic survey agreement with India

signed by his predecessor Ibrahim Solih's government might become a more serious long-term concern for India. The arrival of the Chinese research vessel only sharpens this concern—if China were to be allowed to take over from India the task of mapping the seabed in Maldivian territorial waters, that could possibly push India to take a tougher line with the Muizzu government.

Before Muizzu's visit to Beijing, his Vice-President, Hussain Mohamed Latheef. appeared to implicitly support active Chinese presence in the Indian Ocean Region when he attended the China-Indian Ocean Region Forum held at Kunming in China's Yunnan province. The Forum has a clear agenda of building up Chinese presence and legitimacy in the region and challenging Indian interests and projects directly or indirectly. For example, the Forum's concluding document talked about cooperation in satellite remote sensing applications which has potentially dual-use implications, and a new renewable energy initiative that covers solar power, directly contending with the India-led International Solar Alliance. With its focus on the blue economy, training and on regional thinktanks, there is a great deal of emphasis on China's soft power objectives.

Specifically, in the Maldivian case, it remains to be seen if agreements with China that the previous Solih administration had scrapped or gone slow on will now receive a fresh lease of life under Muizzu. Among these are a controversial Free Trade Agreement with

China and the construction of an **ocean observatory** in the Makunudhoo atoll in the north of the Maldives.

Chinese Interests

Muizzu's trip to China did not seem to touch on either of these issues but appeared nevertheless to be a substantial one—with twenty bilateral agreements signed. These agreements cover everything from disaster management, digital economy, media cooperation and human resources development to marine cooperation, fisheries and climate change cooperation. Like at the Kunming forum, the former set of issues are part of China's traditional basket of soft power outreach mechanisms while the latter relate more substantially to developing its Indian Ocean interests and ambitions. All of this has come alongside the regular emphasis on China's Belt and Road Initiative (BRI) and signalling on the status of China-Maldives bilateral ties, which were raised from the stage of 'comprehensive friendly and cooperative partnership' achieved during the presidency of the avowedly anti-India Abdulla Yameen to a 'comprehensive strategic cooperative partnership' during Muizzu's visit.

Beijing is undoubtedly interested in and willing to invest in the relationship with the Maldives. With the United States now deputing a full-time ambassador to the Maldives, China might also be expected to pay greater attention to the island nation as part of its competition with the US across domains and geographies and because it appears to believe India is working in

concert with the Americans—a **2020 US-Maldives defence agreement** was **welcomed** by India, traditionally averse to the presence of the superpowers in its traditional sphere of influence.

At the same time, China is in the midst of a major economic downturn that will have implications for its foreign policy as well. While the sums that Beijing needs to devote to the Maldives to counter India may be relatively small, both the nature and volume of Chinese investments will likely be affected, not to mention its priorities. Muizzu's courting of other partners like Türkiye and the **United Arab Emirates** is something of a balancing act between India and China. This might be prudent for the Maldives but China is unlikely to step back in its engagements. It will likely use what leverage it has in the country—Maldives owes in the range of **US\$1.5 billion** to China as a result of infrastructure projects under the BRI and China is also a potential major source of tourists again for the islands now that the COVID-19 pandemic has receded.

Conclusion

While the lines are being drawn ever more clearly between the major powers in the Indian Ocean region, for smaller countries such as the Maldives, getting caught in the eddies of larger geopolitical rivalries remains a concern. While Muizzu has declared a wish to have all countries engage equally in the Indian Ocean, China's

increasing regional assertiveness and India-US cooperation through such initiatives as the Quad, will create pressure for his country to choose sides.

For India, meanwhile, its interests in the Maldives are permanent. Since taking office, Muizzu has **described** India variously as "our close friend" and "our closest neighbour" even as the Maldives "did not want to be siding with any particular country." New Delhi, for its part, will be watching not just his rhetoric but his actions.

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News Reports

Bilateral relations

Reaching & maintaining China equilibrium a challenge: EAM Jaishankar

The Times of India, February 24

Jaishankar said Chinese violation of border agreements is the immediate issue for India and that arriving at an equilibrium and maintaining it will be one of the biggest challenges for the two countries.

China, India Militaries to 'Turn the Page' on Border Issues

Caixin Global, February 22

Chinese and Indian military brass have agreed to resolve their border issues "as soon as possible," China's defense ministry said.

India to keep spending on border roads after 30% budget overrun on China fears

Reuters, February 1

India will match the 65 billion rupees (\$783.41 million) above the amount scheduled for this year for the Border Roads Organisation (BRO) responsible to build such roads for next year in light of the continued threat perception faced at the Indo-China border.

China and India in the Region

Zambia says it has signed debt restructuring deal with China and India

Financial Times, February 25

Zambia needs deals with its creditors to continue a \$1.3bn IMF bailout and resume an economic recovery.

Quad is a statement that others cannot have 'veto' on our choices: Jaishankar

The Indian Express, February 24

Jaishankar described the coalition of India, the US, Japan and Australia as an "overhead light" that is a "creative, flexible, nimble, responsive and open-minded" enterprise.

In Sri Lanka, India embraces a resurgent old foe to keep China at bay

South China Morning Post, February 12

India last week welcomed the leader of an ascendant Sri Lankan communist coalition for an official visit, in a sign New Delhi wants to strengthen ties with a political force that's poised to win control of the island nation's government.

India begins to flex its naval power as competition with China grows

Associated Press, February 2

As India's global ambitions expand, it is beginning to flex its naval power in international waters, including anti-piracy patrols and a widely publicized overseas deployments.

Trade and Economy

India slowly taking export market share from China, study shows

The Economic Times, February 28

India's electronics exports to the US as a ratio of China's increased to 7.65% in November last year from 2.51% in November 2021, according to London-based Fathom Financial Consulting. In the UK, the share rose to 10% from 4.79%.

EU agrees first sanctions on Chinese and Indian companies for Russia war links

Financial Times, February 22

The inclusion of Chinese and Indian companies comes as the EU and its G7 partners attempt to crack down on Russia's use of third countries and transit routes to evade existing curbs designed to hamper its war economy.

India reaping benefits as investors divert billions of dollars away from China amid slowing economy

Channel News Asia, February 19

Potential risks still remain, however, including the outcome of India's general election this year and the broader geopolitical landscape.

India's Modi woos UAE and Qatar to counter China in Middle East

Nikkei Asia, February 15

New Delhi advances push for competing economic corridor to Europe.

Energy and Environment

China, India may miss emission goals despite green energy push: report

Nikkei Asia, February 21

Wood Mackenzie says Asia behind Europe in climate targets but EV adoption rising.

Petrobras in talks for projects with Gulf, Indian, Chinese firms, CEO says

Reuters, February 7

Brazil's state-run Petrobras is in talks with other national oil companies in China, India and the Middle East, including Kuwait Petroleum and Qatar Energy, to collaborate on energy projects.

India to overtake China as oil demand growth centre in 2027: IEA

The Hindu, February 7

The need for diesel fuel will push oil demand growth, accounting for almost half of the rise in India's total demand through 2030.

India emerges as key player in solar trade amidst Xinjiang forced labor sanction

Digitimes Asia, February 6

India saw a surge in solar product exports, particularly to the US, as China faces restrictions and trade barriers to sell its products to the US market.

Analyses

Managing a Managed Decline: The Future of Indian-Russian Relations

War on the Rocks, February 28

By Chietigj Bajpaee, Senior Research Fellow for South Asia at Chatham House

While India will continue deepening relations with the West, it will also need to maintain engagement with Russia, particularly in the domains of energy and defense, for the foreseeable future.

The Limitations of India and Russia's Transactional Relationship

United States Institute of Peace, February 22

By Jagannath Panda, Head of the Stockholm Center for South Asian and Indo-Pacific Affairs at the Institute for Security and Development Policy in Sweden

Russia's isolation, differing approach to multipolarity and closer ties with China make deeper India-Russia relations unlikely.

India-Taiwan relations are making China uneasy. So it's turning to disinformation

The Print, February 21

By Sana Hashmi, Fellow at the Taiwan-Asia Exchange Foundation and George HW Bush Foundation for US-China Relations

A pivotal moment in the evolution of India's Taiwan policy unfolded last week with the signing of a labour pact between New Delhi and Taipei.

India and China's Volatile New Status Quo Fulcrum, February 8

By Manoj Kewalramani, Visiting Senior Fellow at the ISEAS-Yusof Ishak Institute

Sino-Indian relations have languished in a state of suspended animation for four years. A return to stability in the relationship would require, at the least, sustained high-level engagement.

India-Maldives standoff tests Neighborhood First commitment

Global Times, February 6

By Xie Chao, Associate Professor at the Institute of International Studies at Fudan University

States will only follow the leadership of those major powers who match their actions with their words.

China and India should be Global South anchors, not power competitors

South China Morning Post, February 2

By Zhou Bo, Senior Fellow of the Centre for International Security and Strategy, Tsinghua University

Beijing does not desire Global South leadership; New Delhi has the ambition but not the heft and faces challenges, particularly in its support for Israel.

Books and Journals

Why Is China Dismissive of India's Great Power Ambitions?

Journal of Asian and African Studies, 2024

By Raj Verma, Associate Professor at the School of International Relations and Public Affairs, Shanghai International Studies University

This article seeks to provide an answer to the question, "Why is China dismissive of India's great power ambitions?" It argues that China's dismissiveness of India's great power ambitions is explained by cognitive bias towards India based on its colonization and freedom struggle. This is because India was formally colonized by Great Britain, but China was never formally colonized. Second, India won its freedom from British colonial/imperial rule through a nonviolent struggle unlike China, which fought a bloody war of liberation against Japan and a civil war leading to the formation of the People's Republic of China.





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OTHER CAG PUBLICATIONS

- Partnership or Polarization? Southeast Asian Security between India and China edited by Evan Laksmana and Byron Chong (Contemporary Southeast Asia, 2023)
- Asian Conceptions of International Order: What Asia Wants edited by Kanti Bajpai and Evan Laksmana (International Affairs, 2023)
- How Realist Is India's National Security Policy? edited by Kanti Bajpai (Routledge, 2023)
- Deterring Conflict and Preserving Peace in Asia edited by Drew Thompson and Byron Chong (Centre on Asia and Globalisation, 2022)
- What Can the United States Learn from China about Infrastructure? by Selina Ho in The China Questions 2 (Harvard University Press, 2022)
- India Versus China: Why they are Not Friends by Kanti Bajpai (Juggernaut Books, 2021)
- Winning the Fight Taiwan Cannot Afford to Lose by Drew Thompson (Strategic Forum, 2021)
- Routledge Handbook of China–India Relations edited by Kanti Bajpai, Selina Ho and Manjari Chatterjee Miller (Routledge, 2020)





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