

# China-India Brief

*A publication of the Centre on Asia and Globalisation*



*Image Credit: Flickr/MEAphotography*

*Guest Column*

## Nepal's Balancing Act: Caught Between Indian Friendship and Chinese Ambitions

By Rishi Gupta

Nepal, a landlocked country in South Asia, finds itself at the centre of a contest for influence between two major world economies and dominant powers in the region—India and China. Historically, Nepal has shared deep people-to-people, socio-cultural, religious, political, and economic ties with India, making it a natural strategic partner. Conversely, China considers Nepal's geography to be of strategic importance, particularly for safeguarding its interests in Tibet, given their shared Himalayan border.

 Lee Kuan Yew  
School of Public Policy

 CENTRE ON ASIA  
AND GLOBALISATION

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](mailto:cag@nus.edu.sg)

469A Bukit Timah Road, Tower Block 10,

Singapore 259770

<https://lkyspp.nus.edu.sg/cag>

*cont'd p2*

Nepal not only helps secure China's western frontier but also serves as a key gateway for connecting with South Asia, enhancing China's economic and strategic interests in the region.

While India, Nepal's oldest and most reliable development partner, has stood the test of time in keeping bilateral ties moving, China has been the biggest beneficiary of the friction between India and Nepal in the past one and a half decades, helping it strengthen its influence in the Himalayan nation. In the past, China's influence in Nepal had been limited by the mountainous terrain, which hindered overland trade and communication, whereas India's close relationship with Nepal's monarchy, which lasted until 2008, ensured New Delhi's dominance in Nepal's foreign and economic affairs.

However, despite these geographical and historical advantages, the evolving political landscape in Nepal, particularly the rise of the communist government in 2008, has opened the door for increased Chinese involvement, which has been a challenge to India's traditional presence in Nepal. The waning of India's influence in Nepal post-2008 and the rise of China is striking, considering that India was the key facilitator of peace between the monarchy and Maoist guerrillas, which ended the decade-long armed insurgency and established democracy.

This article explores the key factors driving the ongoing contest for influence in Nepal between India and China.

### **India's Key Strategic Consideration—Open Border, China and Political Goodwill**

For India, ensuring its influence in Nepal has been important for three reasons. First, India shares an open and largely unfenced border with Nepal. The open border has been a gateway for cross-border matrimonial connections and labour migration from Nepal to India with no visa regime in place, and it serves as a lifeline to Nepal's connection with the countries. At the same time, this has also endangered India's national security as an open border has often been used by non-state actors, including **Pakistani terror groups**, to organise terror activities in India. Moreover, the open border has been a **prime route** for drugs and fake currency being smuggled into India.

Second, in addition to the challenges emanating from the open border, India is concerned about the growing Chinese presence in Nepal. Considering India and China share a tense border—the Line of Actual Control (LAC) in the Himalayas—Delhi fears that Beijing may use it as a gateway to create pressure points via Nepal. Therefore, any developmental activities through Chinese assistance and loans in Nepal are often seen as Beijing's strategic advancements against Indian interests.



For instance, in 2017, China proposed to build a **Trans-Himalayan Multi-Dimensional Connectivity Network (THMCN)** under the Belt and Road Initiative (BRI). A vital component of the THMCN is the railway connectivity between Kerung in Tibet and Kathmandu in Nepal. The proposal has not moved an inch since it was signed in 2017 due to Nepal's **concerns** over high-interest loans and significant engineering challenges posed by the Himalayan terrain.

If realised, the THMCN would bring China's infrastructure significantly closer to the Indian border, raising strategic concerns for New Delhi. This connectivity could enhance Beijing's ability to project power and increase its influence in South Asia, contributing to its broader strategic build-up across the Himalayas and altering the regional balance of power.

Third, ensuring political goodwill in Nepal is critical to ensuring India remains the most influential regional power in Nepal. India maintained close ties with the erstwhile monarchy until its abolition in 2008. Under a new democratic setup, China has been able to improve relations with Nepal. Also, the rise in anti-India protests since 2015, particularly against the backdrop of India's reported border blockade, which disrupted Nepal's imports, marked the lowest point in India-Nepal ties, which China has tried to capitalise on to advance its own interests.

Also, in the last decade, Nepal's Left parties have channeled their ultra-nationalistic impulses into a strong anti-India posture. The current Prime Minister and Chairman of the CPN-UML—**KP Sharma Oli**—has been among the popular voices against India. While India continues to have better ties with traditional political parties like the Nepali Congress, dealing with the political Left has been challenging for Delhi.

For India, political goodwill with Kathmandu is crucial for its security, particularly its worries over cross-border terrorism, smuggling, and illegal migration.

Close ties with Kathmandu have enabled India to collaborate with Nepal on various security initiatives, such as joint border management and intelligence sharing, and often in conveying its displeasure over Nepal's agreements with China that may seem threatening to India's strategic interests and security. However, India's goodwill has waned due to unresolved issues like the Kalapani territorial dispute with Nepal. Also, Kathmandu has been asking Delhi to revise the 1950 Treaty of Peace and Friendship—a treaty that serves as the foundation of the bilateral ties with India—as it sees the treaty serving Indian interests more.

The **trade deficit** is another looming challenge in bilateral ties. For example, in 2022, Nepal's exports to India amounted to USD 935 million, while its imports from India reached USD 8.53 billion, highlighting a significant imbalance that strains economic relations and fosters a sense of dependency. Although India's "Neighbourhood First" policy has led to positive developments, such as **importing electricity** from Nepal, which could help address the trade imbalance, perceptions of India's "big brother" attitude continue to pose challenges. This lingering trust deficit has allowed China to gain influence in Nepal.

## China's Key Strategic Quests: Tibet, India, the US and BRI

Tibet has been central to China's Nepal policy since the 1950s, a priority that remains unchanged even after seven decades. Following the Communist takeover of Tibet, fearing political persecution, thousands of Tibetans fled to India. According to the Government of India, in 2009, approximately **110,095 Tibetan refugees** were residing in 45 settlements across India. However, in its annual report for 2022-23, India's Ministry of Home Affairs, referencing **data** from the Central Tibetan Relief Committee, revised this number to 73,404. The reduction reflects the migration of many refugees to third countries over the years.

Between 1950 and 1990, many of these refugees crossed through Nepal on their way to join the Tibetan Government-in-Exile in India. However, several thousand chose to remain in Nepal, drawn by deep cultural and religious ties to the region. Meanwhile, in 1990, the government of Nepal, under diplomatic pressure from Beijing, stopped issuing refugee cards to any new arrivals. While many of the refugees have migrated to third countries, including the United States, Canada and Australia, at least **12,000 Tibetans** still reside in Nepal.

How did a refugee community become a challenge to China? The challenge primarily emanates from the Tibetan community in Nepal, which is vocal about Tibet's autonomy and freedom.

On many occasions, the Tibetan community in Nepal, in solidarity with the Tibetans across the world, carried out “Free Tibet” demonstrations. One such occasion was the “**Tibetan National Uprising Day**” in 2008—marking the anniversary of the 1959 Tibetan rebellion against the Communist takeover in Tibet. As demonstrations within Tibet made the headlines, Tibetan refugees gathered across Nepal in solidarity with their motherland.

The international media present in Beijing to cover the 2008 Olympics extensively **reported** on the state-led crackdown on the protestors, putting China in a difficult spot. What made the situation even worse was the solidarity demonstrations in Nepal. Still, because there was a new Left party-led dispensation in Nepal, they quickly responded to the Chinese pressure and **police actions** were reported against the Tibetan demonstrators across Nepal. Since then, China has consistently ensured that all official communiqués with Nepal are reaffirmed from the Nepali side on Tibet.

In October 2019, Chinese President Xi Jinping took a historic trip to Nepal—becoming the first Chinese president to visit in two decades. In the joint statement released, the Nepali side **reiterated** that “Tibet affairs are China’s internal affairs” and that it would not allow “any anti-China activities on its soil.” Despite Nepal’s commitment to addressing Chinese concerns over Tibet, Beijing remains apprehensive about the potential influence of Tibetans living in Nepal on those in Lhasa.

Interestingly, China has been wanting Nepal to sign an **Extradition Treaty**, primarily targeting the unregistered Tibetan refugees in Nepal. Kathmandu had **reportedly** agreed to sign the agreement during President Xi’s visit in 2019, but withdrew at the last-minute following criticism from media and human rights organisations. If signed, the treaty would jeopardise the future of non-refugee cardholders, as Nepal would be legally obliged to **deport** them. Meanwhile, China still **expects** an early conclusion to the treaty.

China's concerns about external influence in Nepal stem from historical incidents. For instance, in 1961, the United States Central Intelligence Agency (CIA) armed Tibetan resistance groups in Nepal and supported their **resistance** against Communist rule in Tibet. Similarly, India has been hosting the Dalai Lama and the Tibetan Government-in-Exile since 1959, which China sees as a direct challenge to its sovereignty and a source of continued unrest in the Tibet Autonomous Region.

In June 2024, a **US delegation** led by House Foreign Affairs Committee Chairman Michael McCaul and former House Speaker Nancy Pelosi met the Dalai Lama at McLeod Ganj in the Indian State of Himachal Pradesh, following the passing of the “**Resolve Tibet Act**” by the US Congress—a bipartisan legislation enhancing Washington’s support for Tibet, a move China “**firmly**” **opposed**.

The support from the US and India for the Tibetan cause amplifies Chinese concerns and fears that Nepal could be used as a platform to export solidarity with Tibet, which would pose significant risks to its control over the region and could cost it dearly in terms of stability and influence in its southwestern frontier.

To tackle external influence and generate goodwill, China has been constantly pushing new policies to strengthen engagement with Nepal. For instance, China encouraged Nepal to participate in the BRI, which the latter accepted in 2017 despite resistance from India. For Nepal, the BRI was seen as an opportunity to diversify its development cooperation away from India. Also, China saw it as a strategic tool to reduce India's influence and dominance in Nepal's development sector. However, despite Beijing's best efforts, looming fears of high-interest Chinese loans have kept Nepal **worried** about the BRI, which has failed to provide the desired results as not a single infrastructure project has been identified as being part of the initiative since it was signed.

On the other hand, the US-led **Millennium Challenge Corporation (MCC)**, which offered a **USD 500 million grant** to Nepal to increase the "availability and reliability of electricity, improve roads, and facilitate power trade across South Asia," has made **substantial progress** since it was approved by the Nepali Parliament in 2022.

The prospect of a **cross-border electricity transmission line** between Nepal and India being built under the MCC grant would also see the first-ever bilateral cooperation between the US and India on an infrastructure project in Nepal.

China has **opposed** the MCC, calling it a tool of "coercive diplomacy." This opposition primarily emanates from the perception that the MCC undermines Beijing's influence, especially given its struggles to push the BRI forward. Ironically, Beijing's own failure to make any progress on the BRI with Nepal likely made Kathmandu more amenable towards the MCC. The MCC's successful approval highlights Nepal's growing ties with the US, which China views as a strategic setback.

China's security initiatives with Nepal, including the **Sagarmatha Friendship joint-military exercises** (2017-2018) alternatively held in Nepal and China, have also stalled for six years. Additionally, Nepal has reportedly refused to be part of President Xi Jinping's **Global Security Initiative (GSI)**, which aims to achieve "**Lasting Peace and Security of the World.**" Such decisions reflect Kathmandu's growing cautiousness about deepening military ties with Beijing and signal its intent to maintain a delicate balance in its relations with China, India, and the US.

In summary, China's influence in Nepal has had ups and downs due to Nepal's cautious stance and ongoing political instability, but it continues to make strategic advances. The 2019 elevation of their relationship to a **Strategic Partnership of Cooperation Featuring Ever-lasting Friendship for Development and Prosperity**, along with additional agreements, signals China's enduring intentions and strategic interests in Nepal, sending a strong message across the region.

Rishi Gupta, PhD, is the Assistant Director of the Asia Society Policy Institute in Delhi and is currently the 2024 Taiwan MoFA Fellow at National Chengchi University in Taipei. His research and writing primarily explore Asian geopolitics, with a particular focus on the Strategic Himalayas, China, and the Indo-Pacific region. He can be reached at [rgupta@asiasociety.org](mailto:rgupta@asiasociety.org) & [rishigupta200708@gmail.com](mailto:rishigupta200708@gmail.com) and on X (formerly Twitter) [@rishigupta\\_jnu](https://twitter.com/rishigupta_jnu).

# The Fall of Sheikh Hasina: Setbacks and Opportunities for India and China

By Byron Chong

The recent political upheaval in Bangladesh, culminating in the resignation of Prime Minister Sheikh Hasina on August 5, 2024, marks a pivotal moment in the geopolitics of South Asia. This sudden political vacuum in Dhaka has not only created disruptions in Bangladesh's domestic political order, but has also introduced uncertainties and opportunities for the region's key actors, India and China, with significant implications for their ongoing strategic rivalry.

The fall of Sheikh Hasina's government represents a significant rupture in Bangladesh's political landscape. Ironically, Hasina, who governed the country for fifteen years, was once viewed as a positive force for change in the region, credited with overseeing a period of economic growth in Bangladesh, as well as being a strong proponent of democracy. However, Hasina's increasingly authoritarian tendencies, highlighted by her government's crackdown on political opposition and civil society groups, generated widespread domestic discontent, erupting into a series of protests that eventually forced her to flee the country.



Image Credit: Wikimedia Commons/Jubair Ben Iqbal

## Setback for India

From India's perspective, Hasina's ouster represents a major strategic setback. It was during her tenure that the previously strained India-Bangladesh relationship improved significantly, culminating in both sides proclaiming a **'golden era'** (*Shonali Adhhaye*) in bilateral ties in 2021. Under Hasina, Bangladesh was a reliable partner that aligned with New Delhi on key issues. Her government played a crucial role in weakening the long-standing insurgency in India's restive Northeast region by dismantling training camps used by Indian separatists in Bangladesh. Hasina also intensified efforts to combat radical Islamic groups and disrupt operations by Pakistan's Inter-Services Intelligence network.



Economic and cultural ties deepened through infrastructure projects and trade agreements crucial for India's regional connectivity initiatives, especially in its Northeastern states. And although Hasina's government maintained a balance between New Delhi and Beijing, it carefully navigated these relationships to address India's regional sensitivities. This was demonstrated when Dhaka made the decision to scrap the China-supported **Sonadia deep-sea port**, likely due to opposition from India, and when it chose India rather than China to carry out a \$1 billion **Teesta River project**.

Hasina's departure now raises serious concerns in New Delhi, with fears of a potential **resurgence of Islamic extremism** in Bangladesh as well as renewed support for Indian insurgent groups. Even more troubling for India is the composition of the current interim government, which consists of the main opposition, the Bangladesh Nationalist Party (BNP)—which has traditionally favoured stronger ties with China and Pakistan over India—and members affiliated with the Islamic fundamentalist group, Jamaat-e-Islami (Jel). Notably, the absence of the former ruling Awami League party, which New Delhi had supported to the exclusion of everyone else, exacerbates India's predicament.

Compounding the situation, India faces widespread **populist anger** in Bangladesh over its prior support to Hasina despite her blatant human rights abuses and authoritarian behaviour.

Indeed, unlike countries like the US and United Kingdom, which had criticised the January 2024 general elections which returned Hasina to power as being neither free nor fair, India—the world's most populous democracy no less—had remained silent. For many in Bangladesh, New Delhi was seen as complicit in the country's democratic backsliding. Consequently, India now faces the challenging task of establishing new relationships with an administration—and a nation—that holds little goodwill toward it.

### Opportunities for China?

China, on the other hand, may actually stand to benefit from the political turmoil in Bangladesh. For years, Beijing has been steadily expanding its presence in South Asia through its Belt and Road Initiative (BRI), which includes significant investments in Bangladesh's infrastructure. Yet, despite China's largesse, Hasina had maintained a balanced relationship between Beijing and New Delhi, and often favouring the latter. Hasina's last trip to Beijing had even ended on a **sour note** after she received less financial assistance than anticipated from the Chinese leadership, allegedly prompting her to cut her visit short. The fall of Hasina's government could thus provide Beijing with an opportunity to deepen its economic and strategic ties with Dhaka, especially if a more China-friendly government comes to power.



*Image Credit: Wikimedia Commons/Nahidhasan027*

However, China's ambitions in Bangladesh are not without challenges. The political instability following Hasina's departure could make it difficult for Beijing to secure long-term commitments from the interim leadership. Additionally, unlike Hasina's secular government, the new administration appears poised to have **strong Islamic leanings**. China's treatment of its Uyghur Muslims had previously sparked **protests** in Bangladesh and could become a source of friction with the new government.

The economic crisis in Bangladesh also poses a risk. While China might consider extending loans to build favourable relations, this approach could be an expensive and high-risk gamble with potentially limited long-term benefits. Moreover, given its own economic difficulties, Beijing is likely to exercise tighter control over international financial support.

Additionally, China faces competition from the US, which may seek to strengthen its influence in Bangladesh, especially since Dhaka might turn to Washington for support in securing funding from the International Monetary Fund and the World Bank. The US has already shown **support** for the protest movement against Hasina and maintains close relations with the current interim government's Chief Advisor, Mohammad Yunus.

### **South Asia: A Shifting Strategic Landscape**

The unfolding events in Bangladesh represents the latest development in the broader strategic competition between India and China in South Asia, a region increasingly characterised by geopolitical flux and uncertainty. While India has traditionally relied on its historical, cultural, and economic ties, China has leveraged its economic might and strategic investments to cultivate relationships across the region.

This broader competition is reflected in recent setbacks for India's regional diplomacy. Despite efforts to foster stronger ties through its 'Neighbourhood First' policy, India has encountered challenges. In Sri Lanka, bilateral relations deteriorated over a dispute regarding **Katchatheevu island**, despite a brief improvement following Indian assistance to Colombo during its 2022 economic crisis. In the Maldives, newly elected President Mohamed Muizzu, who ran on an 'India Out' platform, fulfilled his campaign promise by **expelling Indian troops** who were stationed to operate aircraft gifted by India. Similarly, in Nepal, the return of Prime Minister K.P. Sharma Oli, who has favoured closer ties with Beijing, has resulted in new plans for **railway development** between Nepal and China.

Yet, there also remain bright spots for India in South Asia's regional politics. Bhutan, for instance, remains friendly towards India. And while Maldives had ended Indian military presence in the country, it accepted a new agreement that allowed Indian civilians to take on their roles. Similarly, despite recent tensions between Colombo and New Delhi, Sri Lanka **upheld its moratorium** on foreign research vessels—a ban it had put in place to address India's security concerns.

### Navigating an Uncertain Future

Looking ahead, India's immediate priority would be to rebuild relations with Bangladesh's new government to prevent further erosion of its influence.



It would likely leverage its historical and cultural ties with Bangladesh as a foundation for renewed engagement, but this must be balanced against the need to address past grievances and adapt to a rapidly changing political landscape. Failure to do so could result in a more isolated India, surrounded by countries increasingly aligned with China. For China, the goal is to continue leveraging its economic power to build stronger ties with Bangladesh, but without overextending itself in a politically volatile environment. China's strategy in South Asia has often involved supporting infrastructure development and defence cooperation, as seen in Bangladesh, Pakistan, and Maldives. However, Beijing must also be mindful of the risks associated with deepening involvement in a country facing significant political and economic uncertainties.

At the same time, the US's involvement adds another layer of complexity, as Washington may seek to capitalise on the current political landscape to counterbalance both India's and China's influence.

In the coming months, the actions of the interim government in Dhaka, the responses from New Delhi and Beijing, and Washington, and the broader regional dynamics will shape the future of Bangladesh's foreign relations and its role in South Asia. Both India and China, along with the US, must carefully consider their next moves, as the stakes are high and the consequences of missteps could resonate well beyond the borders of Bangladesh.

**Byron Chong is a Research Associate at the Centre on Asia and Globalisation, of the Lee Kuan Yew School of Public Policy, National University of Singapore, and is the Editor of the *China-India Brief*. He posts on X (formerly Twitter)**

**[@WenzhongByron](#).**

## News Reports

### Bilateral relations

#### **India has a special China problem, says Jaishankar**

The Times of India, August 31

External Affairs Minister S. Jaishankar highlighted India's unique challenges, especially its border issues, and the need for careful scrutiny of Chinese investments.

#### **China, India agree to turn the page on border conflict 'at early date'**

South China Morning Post, August 30

Concluding the 31st round of diplomatic talks on the matter on Thursday, both countries pledged to strengthen connections and continue to de-escalate tensions at the border.

#### **'Constructive': India, China hold talks to resolve standoff at LAC**

The Indian Express, August 1

Less than a week after External Affairs Minister S Jaishankar met his Chinese counterpart Wang Yi, India and China held "constructive" and "forward-looking" conversations to resolve the border standoff between the two countries.

### China and India in the Region

#### **Indian, Chinese warships dock in Colombo, send out ripples**

The Times of India, August 27

India and China are strengthening their influence in the Indian Ocean region, with Indian warship INS Mumbai and three Chinese vessels docking at Colombo.

#### **India and Sri Lanka conclude regional military exercise 'Mitra Shakti'**

The Hindu, August 24

The exercise aims to enhance interoperability and mutual understanding between the armed forces and provides an opportunity to deepen further the close defence relationship.

#### **With ousting of Bangladesh's Sheikh Hasina, is India losing its South Asia allies to China?**

South China Morning Post, August 14

India may need to redefine its 'Neighbourhood First' policy to accommodate China's presence in the region, analysts note.

#### **As China, India ramp up naval rivalry, is the Indian Ocean at a maritime crossroads?**

South China Morning Post, August 3

China's ports and ship deployments in India's backyard raise concerns of control and influence in Indian Ocean as next possible flashpoint.

## Trade and Economy

### **Can Indian industries be 'self-reliant' as Chinese investments return since border clash?**

**South China Morning Post, August 29**

Critics warn increased investment could deepen India's dependence on China, undermine Delhi's efforts to grow innovation domestically.

### **Apple starts making latest iPhones in India, accelerates push beyond China**

**Nikkei Asia, August 29**

Beyond the American company's urgent drive to mitigate geopolitical uncertainty, the move also reflects the technological progress India's supply network has achieved in recent years.

### **India re-allowing Chinese cos in electronics manufacturing as industry pressure grows**

**Firstpost, August 22**

An inter-ministerial panel in India has approved five to six investment proposals in the electronics manufacturing sector, including some from Chinese companies and others with connections to China.

### **China dominates supply of electronic components for 'made in India' products**

**The Indian Express, August 18**

In the last five years, electronics imports from China and Hong Kong have far outnumbered imports from other major manufacturing hubs like South Korea, Japan, Taiwan, and all ASEAN countries, combined.

## Energy and Environment

### **Indian solar panels face US scrutiny for possible links to China forced labor**

**Reuters, August 28**

US Customs and Border Protection has detained nearly \$43 million in shipments of electronics equipment from India since October under a 2022 law banning goods made with forced labour.

### **India surpasses China to become Russia's top oil buyer in July**

**Reuters, August 22**

Russian crude made up a record 44% of India's overall imports last month, rising to a record 2.07 million barrels per day.

### **India dialling China for its lithium-ion cell ambitions despite tensions**

**Mint, August 12**

A growing number of India companies are striking licensing and technology transfer agreements with China's leading lithium-ion cell suppliers.

## Analyses

### **As Western-led order crumbles, can China and India fulfil their destinies?**

South China Morning Post, August 28

*By Bob Savic, Senior Research Fellow at the Global Policy Institute*

In spite of their border dispute, New Delhi and Beijing have been steering a course for continued dialogue and cooperation.

### **In Nepal, the US and India Come Together to Counter China**

The Diplomat, August 22

*By Mohamed Zeeshan, Foreign Affairs Columnist*

New Delhi increasingly recognizes that it might not be able to ward off China's economic influence alone.

### **India is well placed to become the 'next China' and drive global growth**

Nikkei Asia, August 9

*By Amit Kumar, Research Analyst with the Takshashila Institution's Indo-Pacific studies program*

The Indian economy has come under greater scrutiny as the debate over whether the country will be the "next China" intensifies.

### **China-India relations easing, navigating new realities**

Global Times, August 8

*By Zhang Jiadong, Director of the Center for South Asian Studies at Fudan University*

There have been signs that tensions between India and China are easing.

### **India Is Turning Up The Heat On China - And Not Just In Its Neighbourhood**

ORF Commentaries, August 1

*By Harsh V. Pant, Vice President – Studies and Foreign Policy at Observer Research Foundation, New Delhi; and Sayantan Halder, Research Assistant at ORF's Strategic Studies Programme*

New Delhi will not relent in pressing ahead with its pushback against Beijing even as the door is open for China to recalibrate its anti-India positioning.

## Books and Journals

### **The Strategic Challenge of Decoupling from China: The Case of India's ICT Sector**

India Quarterly, August 2024

*By Megha Shrivastava, Dr TMA Pai Fellow and a PhD Candidate at the Department of Geopolitics and International Relations, Manipal Academy of Higher Education (Institute of Eminence), Manipal, Karnataka, India*

This article examines India's challenges in a rather underexplored dimension—the information and communications technology (ICT) sector. This article deals with a key question: What impedes India's prospects in the world's ICT sector? The article identifies China's strategic footprints in India's ICT sector as the primary challenge and provides a deeper analysis of it. The article relies on quantitative data concerning the four key sub-sectors—e-commerce, consumer electronics, semiconductors and the telecom sector—to critically examine the strategic footprints of Chinese ICT in India's ICT sector. The article further examines India's evolving policy landscape in response to growing challenges. It concerns the recent debates in the tech policy circles and explores the scope of 'technology decoupling' from China. The article argues that India should see the concept of decoupling as distinct from US–China decoupling. Rather than decoupling, diversification away from China in a phased manner is found to be critical to secure India's future in the evolving technological landscape.





## Our team



Byron Chong is the editor for the *China-India Brief*. He is a Research Associate with the Centre on Asia and Globalisation, part of the Lee Kuan Yew School of Public Policy in Singapore. He has a Masters in Strategic Studies from the S. Rajaratnam School of International Studies, at Nanyang Technological University.

 @WenzhongByron

 sppcwb@nus.edu.sg



Mae Chow is a Research Assistant at the Centre on Asia and Globalisation. She has a Masters in International Affairs with a specialisation in International Security from the Lee Kuan Yew School of Public Policy.

 mae.chow@nus.edu.sg

## THE CENTRE ON ASIA AND GLOBALISATION

---

The Centre on Asia and Globalisation is a research centre at the Lee Kuan Yew School of Public Policy, National University of Singapore. It conducts in-depth research on developments in the Asia-Pacific and beyond, and aims to provide academics, decision-makers, and the general public with objective analysis on issues of regional and global significance. The Centre's motto "Objective Research with Impact" reflects its commitment towards ensuring that its analysis informs policy and decision makers in and about Asia.

## 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)



Compiled and sent to you by Centre on Asia and Globalisation  
and the Lee Kuan Yew School of Public Policy, National University of Singapore

*China-India Brief is supported by Wilmar International Limited*

Feedback or comment?

Contact our Editor: Byron Chong (Research Associate) [sppcwb@nus.edu.sg](mailto:sppcwb@nus.edu.sg)

Subscribe: <https://cag-lkyspp.com/cib-subscribe>