

The Trump Factor in Sino-Indian Relations

By Pradeep Taneja

Even as the outcome of the US Presidential election hung in the balance, India and China announced on October 21 that they had reached an agreement to disengage along their disputed border in Eastern Ladakh. Until then, multiple rounds of negotiations between their military and diplomatic envoys had failed to reach an agreement on pulling back the large numbers of soldiers—more than 50,000 on each side—who had been locked in a tense standoff at several points along the border since April 2020.

In a **statement** to India's parliament, Minister of External Affairs, Dr S. Jaishankar, on November 23, said that the disengagement of troops along the two remaining friction points—Depsang and Demchok—had been “achieved in full” and that normal patrolling by both sides had resumed. The agreement on disengagement may have been possibly precipitated by the BRICS leaders' meeting in Kazan, Russia, which both Indian Prime Minister Narendra Modi and Chinese President Xi Jinping were expected to attend. It would have been awkward for the host, Russian President Vladimir Putin, if these two leaders did not meet despite being physically present at the same venue.



In the years leading up to the June 2020 clash in the Galwan Valley, Modi and Xi had both invested considerable time and energy into improving bilateral relations despite periodic setbacks and border clashes. But the deadly clash, which resulted in the deaths of twenty Indian soldiers and at least four Chinese defence personnel, destroyed whatever little trust that had existed between the two governments. It was the first time in forty-five years that there had been fatalities along the India-China border.

As a result of China's aggressive actions along the Line of Actual Control, which led to the high-altitude troop face-off in the first place, the Indian government took strong action against Chinese companies, including banning hundreds of Chinese smart phone apps. Chinese technicians and businessmen faced difficulties obtaining Indian visas, and Chinese companies were

barred from bidding on certain infrastructure projects in India. This move has been described by at least one **scholar** as the ‘securitisation’ of bilateral economic relations.

While Chinese investment in India came to a halt, India-China merchandise trade continued to grow and India’s trade deficit with China continued to widen. Due largely to China’s strong position in global supply chains, Indian manufacturers struggled to reduce their reliance on Chinese imports. The total value of two-way trade reached USD 115.82 billion in 2023, with India facing a trade deficit of nearly USD 100 billion, according to the **Indian embassy** in Beijing.

India has since taken steps to reduce its dependence on China in some critical sectors, notably strengthening partnerships with the Quadrilateral Security Dialogue (Quad) members. The Quad has become an important pillar of the US-India relationship, as well as a significant catalyst for bilateral relations between India and the two other Quad members—Australia and Japan. The Quad members have continued to widen the scope of cooperation across various domains. Describing the group as a “global force for good,” the **Wilmington Declaration**, which was issued after the last meeting of the Quad leaders in September 2024, lists numerous areas for collaboration among the four countries. In addition to humanitarian assistance and disaster relief (HADR)—the original focus of collaboration among the four countries following the 2004 Indian Ocean tsunami—the Declaration commits the members to step

up collaboration on health security, infrastructure, critical and emerging technologies, and climate and clean energy, among others.

Enter Donald Trump!

It is still unclear how Trump’s return to the White House will affect the already competitive and shaky US-China relationship, and consequently, its impact on China-India relations. Before we discuss the latter, let us first consider the former. One can think of two alternative and contrasting scenarios for the US-China relationship once Trump assumes office on January 20, 2025:

A. Trump has already vowed to take an aggressive approach towards China, which would likely involve imposing hefty unilateral tariffs on Chinese products and making it more difficult for Chinese companies to do business in the United States. This could also be accompanied by increasing support for Taiwan, including the sale of more weapons, as well as heightened criticism of China.

B. After threatening to impose punitive tariffs on Chinese goods, Trump might also use economic negotiations to strike a deal with Xi. In this scenario, China may be required to invest tens of billions of dollars into the US economy, potentially creating significant job opportunities in manufacturing. In return, Trump would soften his stance on Taiwan, and soften US criticism of China—such as, on China’s human rights record and its treatment of minorities.

If the latter scenario unfolds, Trump may turn America's back on the painstaking diplomatic efforts by the Quad to build the wide range of collaborative mechanisms across a host of policy areas as mentioned above. Furthermore, he would be particularly hostile toward Quad collaboration in areas like climate change and renewable energy.

However, this is unlikely given the past statements on China from figures like Marco Rubio and Mike Waltz, Trump's nominees for the Secretary of State and National Security Advisor, respectively. It is more likely that we will see another trade war with China, which will worsen US-China relations on multiple fronts.

If Trump is unable to establish a deal with Xi, and the US-China relationship spirals into a freefall, Trump may inject new energy into the Quad. After all, it was under Trump that the Quad was revived in 2017, and the US Pacific Command was renamed the Indo-Pacific Command. Nevertheless, he would likely want the Quad to focus on more traditional security concerns, especially maritime security. Trump could then push the Quad partners, including India, into adopting more overtly anti-China rhetoric and policies. This is unlikely to sit well with India, which has always been hesitant for the Quad to be projected as an anti-China platform.

Also, India's strategic autonomy and its policy of multi-alignment are based on

nuanced diplomacy that requires balancing multiple interests and holding conflicting opinions at the same time. India generally avoids commenting publicly on Sino-US competition and prefers not to take sides. However, India's foreign minister, Dr Jaishankar, has **said** that the world is "looking at a more sharpened contestation between the US and China across a range of areas."

Given Donald Trump's penchant for making bold statements and his Manichean, black-and-white approach to complex issues, India's nuanced diplomacy may not always be able to respond to demands from the Trump administration in a way that pleases the US. However, India will continue to work with like-minded countries, including the US, on issues as they arise in response to China's growing power and influence. Regarding bilateral relations with China, India will follow its own interests and deal with it on its own terms, as Trump is too unpredictable for any nation to tie its foreign policy to his whims.

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