

India and China: A Gathering Nuclear Storm?

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ABSTRACT The Doklam crisis of 2017 illustrates the increasing tension in India and China's nuclear relationship. There are elements of stability and instability in such relationship, and this brief examines them. Stability, on one hand, is derived from a history of military and political restraint, ongoing institutionalised negotiations, and growing economic relations. However, the continuing border dispute and disagreement on a non-demarcated Line of Actual Control, remain problematic.

INTRODUCTION

In May 1998, after India's Pokhran-II tests, Prime Minister Atal Bihari Vajpayee wrote to US President Bill Clinton to justify the conduct of the tests, referring to India's threat perception from China. Many critics of the tests were sceptical, as there was no strong reaction to them from Beijing; nor did they affect the even tenor of the relationship between India and China. They dismissed as untenable the earlier assertion from Defence Minister George Fernandes that China was India's "potential threat number one". Twenty

years since, however, the Indian leadership's momentous decision to conduct the tests appears farsighted. To be sure, Pakistan was the immediate nuclear thorn in India's side, but in the global strategic picture, China had already begun to loom larger, and was also a source of concern for Indian security policy.

The transformation of the long-standing antipathy between the two countries into nuclear rivalry naturally raises the question of how stable the relationship will remain. All

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nuclear rivalries carry potential for catastrophe. Rationally, no one wants a nuclear dénouement, so the real concern is that such an outcome may nevertheless occur as a result of misperception or loss of control over an action-reaction process that is common to strategic rivalries. The history of nuclear antagonisms is dotted with periodic crises and high-risk confrontations, of which the most well-known are the Cuban missile crisis in 1962, the Sino-Soviet border clashes in 1969, and the Kargil conflict in 1999. The India-China military face-off at Doklam between June and August 2017 seemed portentous. Might the storm clouds be gathering again?

THE COMPETITIVE DYNAMIC

An important driver of risk is strategic perception. In the India-China case, the perceptions of the two countries have long been asymmetric, and this facilitates instability. China's relatively temperate reaction to the Indian tests reflected its lofty disdain for a country which it did not view as a serious competitor in the hierarchy of states. On the face of it, there was a certain basis for this view. China had surged far ahead of India in economic growth. In 1960, India's GDP (in current US dollars) of \$36.53 billion was 61 percent of China's \$59.71 billion, but by the time of the Pokhran tests, the gap had widened substantially: in 1998, India's GDP of \$415.73 billion was just 40 percent of China's \$1.02 trillion.¹ The gap in military expenditure was much greater: Indian military spending on the eve of the tests in 1997 was \$10.9 billion, while China's was a hefty \$74.9 billion.² Besides, China had crossed the nuclear threshold and begun to develop a nuclear arsenal as early as

1964, whereas India, having first tested in 1974, had hesitated thereafter. In addition, India's strategic worldview was dominated by its fractious relationship with Pakistan – one which Beijing was happy to exacerbate by means of military (including nuclear) assistance to Islamabad.³ With the end of the Cold War, the emergence of China as the “next superpower” as it were, was viewed with considerable anxiety in India. China, on the other hand, tended to neglect India's perspective. This in part explains the official Chinese reaction to Fernandes' statement, which was to call it “absolutely ridiculous and not worthy of refutation.”⁴

The fallacy in Chinese thinking was highlighted by the India-United States civil nuclear agreement (announced in 2005 and finalised in 2008), which galvanised Beijing into revising its understanding of India's strategic significance. A more perceptive leadership would have realised that, in reacting to its sense of the rising Chinese threat, India had done much the same as China had back in the early 1970s when it forged links with the US against the Soviet threat. Chinese hostility towards India following the India-US nuclear agreement – through such actions as the issuance of stapled visas to Indian residents of Jammu and Kashmir and Arunachal Pradesh – reflected its uncomfortable surprise as well as a degree of naiveté. What else, China should have realised, would any realist policy-maker in New Delhi have done? The upshot was that India-China tensions went up a notch.

Once Pokhran-II had established India's status as a nuclear power, it followed that the country would strive to attain deterrence vis-à-vis China. India has steadily pursued this

objective by developing the ability to deliver the bomb through a triad of land-, air- and sea-based delivery systems.⁵ With India's acquisition of the last of these three legs well underway, it might be argued, at least from the standpoint of orthodox deterrence theory, that the foundations of a robust deterrent are nearly in place. This does raise some questions as to whether (a) all three legs are indeed essential for the acquisition of a workable deterrent; (b) other aspects of the arms competition dynamic, such as relative missile defence capabilities and new weapons systems (e.g. hypersonic delivery systems) will ensure continuing tensions; and (c) vulnerabilities arising from developments in cyber warfare technology will complicate deterrence. Neither India nor China has shown (thus far) any proclivity for the kind of arms racing that characterised the Cold War era. Nevertheless, there is a peculiar competitive dynamic at work. China is working to bolster its capabilities in response to what it sees as its primary threat: the US. This in turn heightens threat perceptions in India. The push for nuclear modernisation driving American strategy and weapons development thus has a cascading effect on the India-China relationship (and thence on Pakistan). Thus far, it has remained relatively slow-paced, but growing US-China and India-China tensions may propel it to move faster.

Another fundamental question remains: Will India and China behave like other nuclear rivals before them and exhibit a tendency toward confrontation, crisis and the possibility of armed conflict? The military confrontation at Doklam last year, coming as a peak event in a long series of frictions along the border, is a point of concern. Might there

be more to come? A closer look at the relationship between the two countries shows a more complex picture, with elements of stability as well as instability.

SOURCES OF STABILITY

Both sides have exercised the kind of caution expected when nuclear weapons are present in the strategic environment.⁶ Contending nuclear powers are compelled by the threat of mutual destruction to cooperate. They do so in two ways.⁷ First, they act unilaterally in exercising caution to avoid aggravating a confrontation beyond a point (though what that point is remains unspecified); and second, they engage in negotiations that allow them to stand down and sometimes go beyond and institutionalise stability between them through confidence building and/or arms control. Following the Cuban crisis, for example, the US and the Soviet Union initiated a long process of arms control negotiations.

While the India-China relationship has not moved in that direction, the two countries have exercised abundant caution in avoiding an outbreak of combat. Efforts to prevent a slide into war have been institutionalised through regular political engagement on the border issue, as well as through border meetings between local military commanders. While these have not produced a political solution to the border dispute nor prevented continuing friction along the Line of Actual Control (LAC), which separates the two sides, it is useful to keep in mind how much greater the risk of escalation might have been had such arrangements not been in place. A Working Mechanism on Consultation and Coordination for India-China Border Affairs

was established in 2012 and has met regularly, while political leaders have met – and plan to keep meeting – occasionally. Prime Minister Narendra Modi and President Xi Jinping conferred in China on the sidelines of a BRICS summit in September 2017, barely a month after Doklam.⁸ Foreign ministers of the two countries also met in December.⁹ A formal meeting under the Working Mechanism was held thereafter in March 2018 in advance of a planned visit by India's defence minister to Beijing.¹⁰ And, though substantial agreements are not yet in place, Modi and Xi met again at Wuhan in April 2018, and more meetings are scheduled, including a visit to India by Xi in 2019.

More generally, neither India nor China is a revisionist power seeking to change the status quo at the cost of generating instability, as is the case with Pakistan. Unlike the India-Pakistan border, which has witnessed regular and sometimes prolonged episodes of firing, the India-China border has been comparatively quiet for the past 50 years. Moreover, nuclear restraint has been the norm: even when tension has built up, both sides have refrained from nuclear signalling by means of missile tests, force positioning or verbal statements – again in distinct contrast to the India-Pakistan relationship, where Islamabad has frequently taken recourse to such signalling.

Unlike the other nuclear rivalries identified earlier, the India-China relationship has strong economic incentives to build a stable relationship over time. The level of trade between the two countries has grown remarkably since the liberalisation of India's economy in the early 1990s. Total trade, which stood at just \$188 million in 1992, touched

\$69.48 billion in 2016.¹¹ Chinese foreign direct investment (FDI) in India has grown substantially despite political tensions. Official sources put the quantum at nearly \$2 billion in 2016, but knowledgeable sources say the actual level is around five times as much since much of these flows originate from outside mainland China – Chinese firms in Hong Kong, Macau, Singapore and the US.¹² Chinese investment nearly trebled from \$700 million in 2016 to \$2 billion in 2017.¹³ The spurt has been led by big players such as Xiaomi, Alibaba and Tencent. Big Chinese firms are planning mega-investments over the next two years in India: machinery producer Sany Heavy Industry is committing \$9.8 billion, while Pacific Construction, China Fortune Land Development and Dalian Wanda are each planning to put in over \$5 billion.¹⁴ The largest FDI flows into India expected in the near future are from China (42 percent), with the US (24 percent) and the UK (24 percent) well behind.¹⁵

It is evident, therefore, that there are strong incentives for India and China to maintain harmony.

SOURCES OF INSTABILITY

Though there are strong elements of stability in the Sino-Indian relationship, the risk of conflict remains significant. First, the border dispute which led to war in 1962 remains unresolved to this day. This has produced a mutual distrust that has intensified over the last decade. Second, while China has drawn closer to Pakistan, India has built a cooperative defence relationship with the US and Japan. Though these are strictly speaking not 'alliances', they are certainly strategic

partnerships that cause each side to view the other with suspicion. Third, maritime competition has become prominent as the two rising powers have strategic horizons in each other's adjoining seascapes. Finally, amidst the growing mistrust, the lack of a clearly defined LAC separating their troops has led to constant friction and periodic face-offs between Indian and Chinese troops in the border region. More Doklam-like crises cannot be ruled out.

Nuclear powers may rationally wish to avoid war, but there is no guarantee that they will not go down a slippery slope as tensions build. The phenomenon is called the "stability/instability paradox," where the existence of strategic deterrence arising from the presence of nuclear weapons allows – or even encourages – conflict to occur at lower levels.¹⁶ The concept was originally developed during the Cold War to conceive of conventional conflict between nuclear-armed states. In the India-Pakistan case, Michael Krepon and Chris Gagné focused on the prevalence of sub-conventional conflict under the nuclear shadow.¹⁷ In practice, the paradox may apply to a range of phenomena that undermine stability and permit states to escalate conflict short of war, including asymmetric warfare (via support for proxies fighting an adversary); brinkmanship to demonstrate resolve or coerce an adversary; periodic confrontations involving low-level armed violence; and significant levels of combat of the kind that occurred in the 1969 and 1999 cases. In this respect, India-China relations have been comparatively stable, but the risk of military escalation is significant on land as well as at sea.

Escalation on Land: The LAC is the focal point of confrontation between the Indian and Chinese militaries. There are several ways in which escalation can occur. First, domestic political interest could prevent a resolution, as appears to be the case with China's reluctance to demarcate the LAC. It may not be coincidental that President Xi Jinping's effort to consolidate his control over his party and government at the 19th Congress of the Communist Party of China was preceded by confrontations with China's adversaries in Northeast and Southeast Asia as well as on the India-China border. Conceivably, domestic exigency may drive leaders of either state to provoke tension and raise the spectre of war.¹⁸

Second, command and control may not be tight enough and local commanders may initiate a crisis or actual combat. This happened during the Cuban missile crisis when a Soviet anti-aircraft battery opened fire and shot down a US Air Force surveillance aircraft. The U2 aircraft had been spotted over Cuba and was about to leave the area and a decision had to be taken on whether or not to open fire on it. The Soviet commander in Cuba was unreachable, so his deputy, Leonid Garbuz, and the deputy commander for Air Defences, Stepan Grechko, took the decision to shoot the U2 down.¹⁹ As it happened, the incident did not trigger war, but it was a close call.

Nuclear forces are not believed to be stationed on the India-China border, but similar risks exist that might cause the outbreak of armed combat. Indian forces acted quickly at Doklam because local commanders had been given operational autonomy and acted independently to confront the Chinese.²⁰

Given that there is little time to reflect in the midst of crisis situations, there is every possibility that similar local initiatives may in future produce an action-reaction process that causes the two forces to engage in combat. This could then quickly spiral out of control.

Escalation at Sea: The proliferation of Indian and Chinese naval forces in the Indian Ocean and the South China Sea, respectively, carries a number of significant risks. First, red lines are less clear on water and tactics of shadowing and stalking are regularly employed by rival forces. This could lead to misperceptions and unwitting naval combat. Collisions occur from time to time between both surface ships and submarines, including nuclear-armed submarines. Among the 55 submarine accidents listed in a study by Christopher Tingle, five were the result of collision.²¹ Not all such incidents are listed in this study and other sources indicate more have occurred,²² notably a major collision between an American nuclear-armed submarine, the *USS James Madison*, and an unidentified Soviet submarine off Glasgow in 1974.²³ Such incidents could conceivably set in motion confrontations and fighting.

Second, as on land, confrontations may occur owing to slip-ups in command and control – as a result, for instance, of initiatives by local commanders. During the Cuban crisis, when American ships subjected Soviet submarines to intense pressures, including the dropping of practice depth charges to force them to come above the sea surface, there was a high risk of war, including the near-use of a nuclear weapon. Captain Shumkov, commander of one of the Soviet submarines, the B-130, was unaware that the practice depth

charges were harmless and concluded that war had broken out. According to a shipmate, he came close to giving the order to fire a nuclear torpedo, but eventually refrained. In another instance, during the same crisis, as pressure from the depth charges built up, Captain Valentin Grigorievitch Savitsky and political officer Ivan Semenovitch Maslennikov of another submarine, the B-59, actually approved the firing of a nuclear weapon, but were overruled by the fleet commander, Second Captain Vasili Alexandrovich Arkhipov, who happened to be on board the vessel.²⁴ Both examples underline the enormous risks associated with the presence of nuclear weapons in a theatre of potential conflict. In the current context, the risk of local initiative is further heightened by the potential for cyber-attacks to disrupt communications to submarines or otherwise confuse or disable other computer-related systems on board submarines (Abaimov and Ingram, 2017; Futter 2016; Unal and Lewis 2018).²⁵ In short, while there is generally deterrence stability between the two countries as shown in the preceding section, there are some elements of crisis instability. While these elements may be currently small, particularly at sea where the two sides are not as yet in confrontation, even small risks are not to be underestimated between nuclear powers.


CONCLUSION

The India-China strategic relationship carries risks in the political as well as the military domains. Ironically, there is no deep ideological rivalry between the two countries, but there is ideational competitiveness arising from high levels of nationalism in both countries that can lead to intensification of

their growing rivalry. And, like other nuclear rivalries, it carries the numerous sources of risk discussed above. The sources of stability – caution, willingness to engage politically, and high-level economic exchange – are not sufficient to eliminate the strategic risk.

In the aftermath of Doklam, there has been some effort on the part of both countries to manage their relationship better. In part, the Trump Administration’s bull-in-a-China-shop tendencies have impelled New Delhi and Beijing to draw closer to each other. But it is far from certain how long this new warmth can be sustained. A number of problem areas remain.

To begin with, the LAC – the primary source of military tension – remains disputed, and there are no signs of progress in the efforts to resolve the issue. In addition, both sides have maintained their military presence at Doklam: the “disengagement” only meant they withdrew a few hundred metres.²⁶ Also, both have taken measures to strengthen their positions by building infrastructure and enhancing force deployment in the area.²⁷ Frictions along the border have continued: in January 2018, the Indian Army turned away a Chinese road construction crew at Tuting in Arunachal Pradesh.²⁸

Given this reality, the two countries have to make more serious efforts to reduce the risk of future escalation. First, apart from more of the same with respect to forward movement on confidence building measures (which have not produced real stability thus far), the immediate cause of friction – the undefined LAC – needs to be sorted out to obviate the risks associated with local brinkmanship. Prime Minister Modi has publicly declared that an agreement on the LAC will not prejudice negotiations on the border and the Chinese leadership needs to grasp this opportunity. Second, the long-drawn out border talks that have thus far produced no significant result should be revitalised to show at least incremental progress, perhaps by identifying initial areas of compromise and formalising them, such as whether a package deal or a sector-by-sector approach should be taken on border demarcation. Third, the two countries need to engage in nuclear risk reduction measures before conflict breaks out rather than wait for a really serious crisis to occur. Finally, both sides should contemplate what form of reassurance through “costly signalling” they can offer each other to show real commitment to long-term stability.²⁹ 

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