



# India-China Competition: Examining Economic, Military, and Diplomatic Rivalry in the 21st Century

Author - Ajibul Mia, University of North Bengal, Siliguri, West Bengal,  
Email id - ajibulmia1@gmail.com

Date of Submission: 07-11-2024

Date of Acceptance: 18-11-2024

## I. Introduction

The competition between India and China has evolved into a complex and multi-dimensional rivalry spanning economic, military, and diplomatic arenas. Both countries, the world's most populous, have grown significantly in global stature, bringing their interests into closer proximity and sparking competition on multiple fronts. This article examines how the India-China rivalry shapes their regional and global influence, as well as the impact of their strategic maneuvers on the future of Asia and the wider world.

### Economic Rivalry

Economically, India and China share a complex relationship characterized by both cooperation and competition. Trade relations have expanded over the years, but a notable imbalance persists, with India importing far more from China than it exports. This deficit has fueled concerns in India about dependency on Chinese goods, especially in crucial sectors like electronics, pharmaceuticals, and industrial machinery. The disparity has led to increased scrutiny, with India imposing tariffs and promoting domestic alternatives to reduce reliance on China.

Both countries have launched ambitious economic strategies to assert their influence. India's "Make in India" initiative aims to bolster manufacturing, attract foreign investment, and reduce dependency on imports. In contrast, China's Belt and Road Initiative (BRI) represents a colossal effort to develop infrastructure and deepen economic ties across Asia, Africa, and beyond. While the BRI has enabled China to strengthen its regional influence, India has viewed the initiative with caution, seeing it as an encroachment into its traditional sphere of influence, especially in neighboring countries like Nepal, Sri Lanka, and the Maldives.

Investment and influence extend beyond domestic borders as both countries engage in foreign investments. India has increased its investments in neighboring countries to counter China's influence, particularly in South Asia and Africa. Meanwhile, the pandemic disrupted global supply chains, emphasizing the need for resilience and self-reliance. India responded with the "Atmanirbhar Bharat" (self-reliant India) campaign, aiming to boost local production and reduce dependency on Chinese imports, a move that has had mixed success but signals a clear economic strategy to counterbalance China.

### Military Rivalry

The military rivalry between India and China is underpinned by longstanding border disputes and the geopolitical significance of their shared boundary. The Line of Actual Control (LAC) is a disputed boundary in the Himalayan region, which has been a flashpoint for conflict since the 1962 war. Tensions have periodically flared up, with the 2020 Galwan Valley clash marking one of the most serious confrontations in decades. Both countries have since reinforced their military presence along the LAC, reflecting heightened readiness and the possibility of future conflict.

Comparing military capabilities reveals a competitive dynamic. China boasts one of the world's largest and most advanced militaries, with significant investments in nuclear weapons, air power, and naval capabilities. India, however, is not far behind and has been steadily modernizing its forces, focusing on strategic acquisitions of advanced aircraft, missiles, and naval assets. While China has a larger defense budget, India's defense spending remains substantial, reflecting a commitment to safeguarding its territory and interests.

Alliances play a crucial role in this military rivalry. India's partnerships, particularly with the



United States, Japan, and Australia through the Quadrilateral Security Dialogue (Quad), are a response to China's regional dominance. Joint exercises and increased military cooperation among Quad members reinforce India's position in the Indo-Pacific region, sending a signal to China. Meanwhile, China has fostered closer ties with Pakistan, India's traditional rival, further complicating regional security dynamics. The interplay of these alliances suggests that the India-China military rivalry is likely to continue as both countries work to secure their interests.

### **Diplomatic Rivalry**

On the diplomatic front, India and China vie for influence within and beyond Asia. India seeks to maintain its leadership role in South Asia and build relationships with smaller neighboring countries. China's BRI has enabled it to cultivate strong economic ties and political influence in these same countries, creating a competitive atmosphere. In South Asia, the Indian Ocean, and even Africa, India and China compete for political and economic influence, each vying to be seen as the more reliable partner for development and investment.

International organizations represent another arena for diplomatic rivalry. Within the United Nations, BRICS, and the Shanghai Cooperation Organization (SCO), both countries aim to assert their visions for a multipolar world. India's emphasis on maintaining sovereignty and its democratic values contrasts with China's state-driven approach, which seeks to reshape global norms and governance. The two countries' differing stances create tension within these organizations, with each nation rallying support for its own agenda.

Beyond traditional diplomacy, both nations use soft power tools to bolster their image. India leverages its democratic institutions, technological talent, and cultural appeal to project influence, particularly in the global South. China, meanwhile, has invested heavily in initiatives like the Confucius Institutes and media outreach, aiming to strengthen its image as a global power and counter criticisms, especially from Western nations. Through these efforts, both countries seek to shape international perceptions, adding another layer to their rivalry.

### **II. Conclusion**

In summary, India and China's rivalry is a defining feature of 21st-century Asia, with ramifications that extend far beyond their borders. Economically, they represent two competing models, with India's democratic market economy challenging China's state-controlled approach.

Militarily, their preparedness and alliances reflect a readiness to defend interests, even as tensions simmer. Diplomatically, each country's influence strategy shapes regional alliances, creating a delicate balance between cooperation and confrontation.

Looking to the future, this rivalry could take various paths. Scenarios range from increased cooperation to escalating conflict, particularly if unresolved border issues remain flashpoints. However, the global impact of their interactions cannot be understated; their rivalry influences regional stability, trade flows, and the future of international organizations. For the rest of the world, navigating the complexities of India-China relations will be key to understanding the broader shifts shaping the global order.

### **Reference**

- [1]. Bajpae, C. (2020). *China-India Relations: Regional Rivalry in the Indo-Pacific*. Routledge.
- [2]. Gokhale, V. (2021). *The Long Game: How the Chinese Negotiate with India*. Penguin Random House.
- [3]. Mitra, S. K. (2023). "India-China Economic Relations: Cooperation and Conflict," *Journal of Asian Economic Studies*.
- [4]. Singh, A. & Khurana, G. S. (2021). "The Strategic Competition between India and China in the Indian Ocean Region," *Strategic Analysis*.
- [5]. Garver, J. W. (2011). *Protracted Contest: Sino-Indian Rivalry in the Twentieth Century*. University of Washington Press.
- [6]. Ministry of External Affairs, Government of India. (2023-24). *India-China Relations: Policy Documents and White Papers*.