

## **Assessing Sino-Indian Relations under Modi 3.0 from the Status Competition and Dilemma Model**

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### **Introduction**

The return of the Bharatiya Janata Party (BJP) and Narendra Modi as India's Prime Minister for a third term marks a critical phase in Sino-Indian relations.<sup>1</sup> Modi's previous tenures are characterised by heightened border tensions, deepening mutual mistrust, and an escalating security dilemma in Sino-Indian relations. The 2020 Galwan Valley clash, where Indian and Chinese troops violently confronted each other in the disputed region, severely damaged bilateral ties and heightened the volatility of Sino-Indian relations.<sup>2</sup> This event led India to deepen its defense ties with the western powers, safeguarding its strategic interests while navigating complex economic and diplomatic engagements with China.

Under Modi's stint, India's foreign policy has shifted from non-alignment to a more assertive 'multi-alignment' strategy, characterising strategic autonomy as its foundational base. India under Modi is a member of China-dominated forums like the Shanghai Cooperation Organization (SCO) and Brazil, Russia, India, China, and South Africa (BRICS) in addition to its participation in Western security initiatives such as the Quadrilateral Security Dialogue (QUAD) in the Indo-Pacific region to counterbalance China's rising interest. Moreover, the United States (US) strategic move to designate India as a 'Major Defense Partner' manifests strategic convergence to overcome China's growing power in Asia.<sup>3</sup> Despite immense economic dependency on China, strategic mistrust prevails. This study examines Sino-Indian relations under Modi 3.0 through the status competition and status dilemma models and elucidates how China and India can manage their relations amidst the changing geopolitical landscape.

### **Historical overview of the Sino-Indian conflicts**

The Sino-Indian relations are marred with long-standing unresolved border disputes and geopolitical tensions. The contested 2,200-mile Line of Actual Control (LAC) is a persistent source of tensions due to both countries' competing viewpoints on its demarcations.<sup>4</sup>

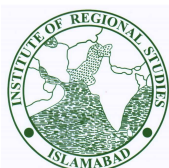
Eventually, the culmination of mistrust around disputed international borders led to the 1962 war, which exacerbated mistrust and animosity, and left deep scars on bilateral relations between two nuclear-armed neighbours. China claims India's Arunachal Pradesh, referring to it as 'South Tibet.' In contrast, Aksai Chin which China captured in 1962, is a region claimed by India as part of its Ladakh Union Territory. New Delhi has always feared a two-front conflict involving China and Pakistan, as the latter has increasingly aligned with Beijing due to economic, military, and diplomatic support. Conversely, China sees India's unconditional support for the Dalai Lama and the Tibetan government-in-exile as Indian interference in its internal affairs. Hence, competing strategic interests exacerbate both states' competition, mistrust, and hostility.

Similarly, the 2017 Doklam 2-month standoff, involving a 34-square-mile territory disputed by China and Bhutan, put the bilateral relations at the lowest ebb, manifesting the likely risk of military confrontation.<sup>5</sup> Likewise, deepening Sino-Pakistan strategic ties have further fueled hostility between India and China. New Delhi views Beijing's growing influence in its neighbourhood in general and the Indian Ocean in particular via its Belt and Road Initiative (BRI) and China-Pakistan Economic Corridor (CPEC), a flagship project of BRI, as an expression of Beijing's hegemonic intentions to deter Indian influence regionally. Despite these fault lines, China remains India's largest trading partner, and various diplomatic peace-establishing initiatives like the 2018 Wuhan Summit followed by Chennai meetings in 2019 were an effort to manage outstanding conflict through dialogue and cooperation.<sup>6</sup> However, India's unilateral decision to revoke the special status of Jammu and Kashmir in 2019 escalated the mistrust.<sup>7</sup> It escalated tensions between the two countries, eventually culminating in the Galwan mishap of 2020, putting the whole region into the blink of an imminent war. New Delhi's increasing tilt toward the US is evident by its active participation in QUAD, where India's External Affairs Minister said:

"The Quad is an overhead-light, creative, flexible, nimble, responsive, and open-minded enterprise, and

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these are not adjectives we normally associate with the bureaucracy."<sup>8</sup>

This shift in India's strategic posture is worrisome for China as the US policy of using India as a bulwark to contain Beijing is at play. Hence, a sensitive security paradox is being established, threatening the prospects of sustainable peace in Asia in general and the Indo-Pacific in particular.

### **India's Strategic Realignments: Status Competition and Status Dilemma Model**

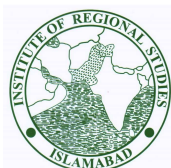
The status competition and status dilemma models in international relations reveal a complex interplay of evolving dynamics in Sino-Indian relations. The status competition model contends that states compete for prestige and recognition within the international system, hence ultimately striving to enhance their global standing.<sup>9</sup> On the contrary, the status dilemma model posits that when states try to elevate their regional status via increased economic and military engagement, can indirectly lead to insecurity for aspiring powers, hence leading to competition and uncertainty in the relationship.<sup>10</sup> From the lens of the status competition model, the 2024 post-Indian elections has brought in a weaker Modi 3.0 compared to Modi 2.0 as rightward Hindutva BJP policy failed to galvanise outright parliamentary victory. This has weakened Modi's hegemonic ambitions of making India a leading power and has put him in a delicate balancing act where Modi is weakened domestically due to his conflicting alliances and objectives. Likewise, New Delhi has taken a different position from its western partners when it comes to Russia, as it refused to vote on any of the UN resolutions condemning Russia's actions. Moreover, it has continued to buy Russian oil, and Modi's recent visit to Russia highlighted his desperate desire to maintain a strategic partnership with Moscow.<sup>11</sup> Additionally, India refused to sign the final declaration of the Ukraine Peace Summit, insisting on a ceasefire and greater humanitarian assistance to Ukraine, contending that any declaration that does not have Russian participation would be meaningless.<sup>12</sup> This alliance is accentuated by India's participation in forums like SCO and BRICS, where Beijing's influence is substantial. Conversely, New Delhi is hell-bent on countering China's influence in Asia by engaging in the QUAD and I2U2 group (India-Israel-UAE-USA) and fostering and deepening strategic partnerships with the US. India's dual geopolitical stance embodies both competitive and cooperative dimensions, revealing India's strategic maneuvering in the international arena.

India's robust maritime strategy and engagement in the QUAD have strengthened and reshaped its strategic ties with the US and other key

regional players, underscoring India's ambition to become a pivotal player in the region's security architecture. This competition for prestige and influence is inherently linked to India's broader goal to become an ascending power and reshape the Asian regional balance of power at the expense of strained relations with China. The violent Galwan Valley clash in 2020 under Modi 2.0, leaving 20 Indian soldiers dead, was a significant flashpoint, which illustrated inherent mistrust and tenuous tension in the Sino-Indian relationship when viewed from the perspective of status dilemma model. Making it indispensable for both states to manage status competition in a high-stakes environment. For India, the 2020 clash was a grim reminder of its security dilemma. It has prompted New Delhi to fortify its strategic posture through military upgrades by orbiting deep in the US-led western axis. This will enhance India's security at the expense of intensifying China's perception of encirclement and containment. Similarly, tensions have risen following the visit of a US Congressional Delegation led by former Speaker Nancy Pelosi to India in June, meeting with the Tibetan spiritual leader, the Dalai Lama, and extending support to Tibet's liberation from China<sup>13</sup>. Thus, New Delhi's shift toward the Western axis is apparent, raising China's sense of threat and potentially leading to future escalation.

Similarly, the confluence of the US and India's maritime interests in the Indo-Pacific and the Act East Policy of 2014 has complicated the security dilemma. By actively participating in regional security dialogues and strengthening naval capabilities, India under Modi 3.0 aims to secure its maritime interest in becoming more assertive to augment its hegemonic influence over island nations like the Maldives. This strategic posture is designed to project power and counterbalance China's naval ambitions. India's assertiveness in the Indo-Pacific exacerbates the status dilemma by reinforcing China's concerns over India's growing military capabilities and strategic partnerships. As India seeks to elevate its status through these means, it inadvertently contributes to a cycle of mutual suspicion and competitive escalation.

Lastly, Modi 3.0 will follow a nuanced regional security approach to increase India's global influence and assert its strategic interests. However, these moves in the geopolitical chess game only reflect the inherent tension of the status dilemma model, where India's efforts to secure its position often contribute to China's sense of insecurity. Hence, India's complex interplay of status competition and the status dilemma further complicates India's paradoxical notion of strategic autonomy.



### **China's Strategic Countermeasures: Responding to Modi's Assertive Policies**

While analysing China's response to status competition, Beijing feels its strategic interests are undermined due to Modi's assertive foreign policy. Moreover, the systematic border disputes over Arunachal Pradesh and the subsequent 2020 Galwan Valley clash are emblematic of this rivalry, symbolising broader status competition conflict between the two nations. The recent release of the new map by China, where Arunachal Pradesh is regarded as 'South Tibet', and its previous reactive posture in the Galwan Valley highlights Beijing's efforts to erode New Delhi's sovereignty by asserting its territorial claims, hence reducing India's status and influence in the region.<sup>14</sup>

From the lens of the status dilemma model, China employs a dual economic diplomacy strategy and strategic engagement to diminish Indian and Western influence in Asia in general and the Indo-Pacific in particular. Through the BRI, China has invested significantly in infrastructure development projects across countries like Pakistan, Maldives, Sri Lanka, Bangladesh, and Afghanistan, promoting economic regionalisation and bolstering its regional influence. For instance, China's extensive military and economic support to Pakistan serves as a strategic counterweight to India. Similarly, China invests heavily in island states like the Maldives and Sri Lanka to enhance its influence in the Indian Ocean and secure a Strategic Line of Communication (SLOC). This directly challenges India's traditional maritime dominance, as these close economic ties limit India's ability to project power in its immediate neighborhood.

Similarly, China's strategic policies of regional alignments via its BRI in countries like Bangladesh through its trade partnerships diminish India's leverage. In Afghanistan, Beijing's active involvement in reconstruction and stability efforts after the Taliban takeover provides an alternative to Indian and Western influence, reflecting Beijing's strategy to access energy-rich Central Asian States (CARS) via Afghanistan. By promoting these economic partnerships, China strengthens its position and creates a strategic environment that constrains India's regional and global maneuverability.

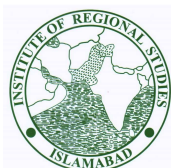
Lastly, Beijing views India's participation in the QUAD and I2U2, as well as its strategic partnership with the US, as an effort to encircle and contain its influence.<sup>15</sup> China has reacted strongly against the meeting of Dalai Lama, with former speaker Nancy Pelosi contending: "China firmly opposes any anti-China separatist activities conducted by Dalai in any capacity or name in any country, and opposes any forms of contact by officials of any

country with him." In response, Beijing meticulously crafted Global Development Initiatives (GDI), Global Security Initiatives (GSI), and Global Civilization Initiative (GCI) to counterbalance these moves and reinforce its status.<sup>16</sup> China's future approach in terms of its relationship with India under Modi 3.0 will be a complex blend of economic diplomacy and strategic maneuvers designed to reshape the regional balance of power. By diminishing New Delhi's ability to assert its autonomy and influence, Beijing seeks to establish itself as the pre-eminent power in Asia and the Indo-Pacific. Hence, it can be said that the status competition and the resulting status dilemma reflect the nuanced and often adversarial nature of Sino-Indian relations, where both countries continuously strive to outmaneuver each other in their quest for regional and global preeminence.

### **Pathways to Stabilising Sino-Indian Relations**

The future of Sino-Indian relations under Modi's third term hinges on the delicate balance between strategic competition and opportunities for cooperation. India's multi-alignment approach of engaging with western powers while maintaining ties with China-dominated regional frameworks creates inherent contradiction in its policy. This strategy, intended to maximise India's geopolitical options, places it in a precarious position where it risks alienating China while attempting to strengthen its regional influence. The precarious border disputes, evident by the 2020 Galwan Valley clash, have entrenched mutual mistrust, making diplomatic resolutions difficult. However, China's willingness to engage in dialogue presents a potential pathway for managing these tensions. China's diplomatic overtures, characterised by negotiations and conflict management, suggest that there could be room for de-escalation if both countries are prepared to make concessions.

Nevertheless, India's increasing alignment with western powers, driven by concerns over China's growing influence in South Asia through initiatives like BRI, especially the CPEC, exacerbates its strategic dilemma, which is pushing India into a US-led axis, heightening security dilemmas and reducing the space for independent regional policymaking. This leads to a cycle of competitive escalation, where each country's efforts to secure its position only deepen the other's insecurities. To avoid this spiral, both countries must explore conflict resolution mechanisms centering confidence-building measures, such as joint economic projects or cultural exchanges, which might foster a more constructive dialogue. Lastly, multilateral platforms where mutual interests, such as climate change or regional development



initiatives, terrorism, and security, could provide common ground for cooperation. Stabilising Sino-Indian relations will require pragmatic diplomacy, where both sides recognise the long-term benefits of de-escalation over the short-term gains of strategic posturing. By navigating their competing interests, China and India can work towards a more stable and mutually beneficial relationship in the Indo-Pacific and South Asian regions.

## Conclusion

Under Narendra Modi's third term, Sino-Indian relations are hinging on a delicate balance of strategic competition and cautious diplomacy. India's strategy of engaging with western powers through alliances like QUAD and I2U2 while refusing to condemn Russia for the invasion of Ukraine and its participation in China-

dominated groups such as the SCO and BRICS, highlights the contradictions inherent in its approach, as evidenced by status competition and status dilemma model. India views China as a revisionist power and attempts to counterbalance China's expanding influence in South Asia, mainly through the BRI and the CPEC, which India perceives as strategic encirclement. The persistent border disputes underscore the fragile state of relations, with both countries locked in a cycle of mutual suspicion and competitive escalation. However, the potential for conflict resolution through confidence-building measures and back-door diplomacy remains vital. For Sino-Indian relations to stabilise, both countries must find common ground, focusing on pragmatic solutions that prevent further deterioration of ties as it affects regional stability and the security landscape in the Asia Indo-Pacific region.

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