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# China-India-US Triangle Shaping Up?

By P. S. Suryanarayana

## **Synopsis**

China, India and the United States may feel the need to rebalance their triangular engagement following the latest Russia-India missile deal and the recent Indo-American foreign-and-defence dialogue. Will these developments negate the Sino-Indian consensus reached at Wuhan in April 2018?

#### Commentary

CHINA'S STRATEGIC response to India's evolving links with the United States has acquired a sharper focus after the new Indo-American '2+2 dialogue' on 6 September 2018.

The US Secretaries of State and Defence met their Indian counterparts to launch their unprecedented high-level strategic talks in Delhi. However, India defied the US a month later and signed a US\$5-billion contract to buy state-of-the-art S-400 surface-to-air missile system from Russia, America's "adversary". The contract, signed during Russian President Vladimir Putin's visit to Delhi on 5 October 2018, has complicated the shifting strategic mix.

### Russia, the Fourth Factor

India is purchasing several S-400s for defence against neighbouring China, which had already acquired "S-400-related equipment" from Russia itself. This is no anomaly because Russia enjoys intimate "strategic partnerships" with both China and India. Indeed, the author's conversations with Chinese and Indian diplomats confirm the emerging reality of a churn in the strategic cross-currents involving mainly China, India and the US.

Russia's S-400 system and other military hardware are at the heart of a current mini-

saga among these three powers. On 20 September 2018, US sanctions were imposed on the Chinese Central Military Commission's Equipment Development Department and its Director Li Shangfu under Washington's Countering America's Adversaries through Sanctions Act (CAATSA). The US sanctions targeted the Chinese entity for its "significant transactions" of obtaining Russia's "Su-35 combat aircraft and S-400 surface-to-air missile system-related equipment". America's stated aim was to actually "impose costs on the Russian Government for its malign activities".

## India a 'Major Defence Partner'

At another level, commenting on India's effort to secure American waiver of sanctions under CAATSA for buying the S-400s, US Secretary of State Michael Pompeo said that a waiver was not yet decided on. However, he clarified, America's intention "is not to penalise great strategic partners like India, a major defence partner" of the US since 2016.

After India signed the S-400 contract on 5 October 2018, Washington did not immediately invoke its option to impose sanctions or a presidential waiver.

More importantly, CAATSA sanctions on India, if imposed, may help *invigorate* the existing Russia-India-China (RIC) forum for opposing US' "unilateralism". But right now, the RIC is not a forum of genuinely like-minded powers. Because of this, especially *if* India gains a CAATSA waiver, China's "concerns" over India's burgeoning ties with America will only be reinforced.

## A New de facto Ally?

Marking the '2+2 dialogue', India and the US signed the Communications Compatibility and Security Agreement (COMCASA) on 6 September 2018. Under COMCASA, India can access the US military's safeguarded and sensitive communication channels.

This is said to facilitate interoperability between the two militaries. India and the US are also expected to protect each other's sensitive data generated by the usage of American military-communication equipment. Above all, US Defence Secretary James Mattis said COMCASA "deepens" his country's "ability to share with India "the most advanced defence technology".

In the lead-up to this stage, India and the US, wary of each other for long, had signed the Logistics Exchange Memorandum of Agreement in 2016. This facilitates cooperation between the two militaries in logistical terms. On 30 July 2018, Indian entities were granted a "Tier-1" "licence exception" for their potential purchases of dual-usable items and knowhow under "US Strategic Trade Authorisation".

With COMCASA in place since September 2018, the two sides have also agreed to negotiate an Industrial Security Annex to facilitate closer collaboration between their defence industries. Should these talks succeed, and given also the other existing and potential Indo-American military cooperation agreements, Delhi could graduate to a position "comparable" to US' military allies *without* being a formal ally.

With such a sweeping military dimension featuring the '2+2 dialogue', it is reliably learnt that China is beginning to view "seriously" India's potential military strength.

## The Iran Issues & China's Response

During the '2+2 dialogue', the US Secretaries were fully briefed about India's economic compulsions to continue sourcing Iranian oil even after 4 November 2018 when the Trump administration's sanctions on Iran will come into force.

India projected its ongoing development of the Chabahar seaport in Iran as a "public good" in the global commons – a maritime link to the land-locked Afghanistan, Iran's neighbour of consequence to America.

Chabahar lies close to the Chinese-developed Gwadar port in nearby Pakistan. Significantly, within a week after the '2+2 dialogue', the first tripartite ministerial meeting among India, Iran and Afghanistan was held in Kabul on 11 September 2018. India said the meeting discussed economic cooperation, with Chabahar in prime focus. But there is no word yet about America's acceptance of Delhi's role at Chabahar.

China is evaluating whether the potential India-US strategic *convergence* might "undermine" the Sino-Indian *consensus* reached at Wuhan (China) in April 2018. Chinese President Xi Jinping and Indian Prime Minister Narendra Modi agreed, at that time, to explore bilateral and multilateral cooperation in a mutual spirit of candour and cordiality.

Moreover, Beijing thinks that the key to stability in the China-India-US triangle is how far Delhi can *walk its talk* of 'strategic autonomy', especially towards Washington, whose attitude towards China itself will be critical. But the '2+2 dialogue' shows that Washington wants India to 'swing' towards the US, regardless of the S-400 issue. So India may have to decide sooner rather than later, *if* China and the US themselves stay on their current collision course.

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