

# MP-IDSA

## *Issue Brief*

# The Dynamics of the India-US-China Triad

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## **S***ummary*

Conflictual aspects involving the India–China and the US–China bilateral ties have intensified in recent times. Going forward, this could continue or the three key states could arrive at a modus vivendi to ensure collective development in an increasingly uncertain world or India and China could share amicable ties with the US but continue to be on frictional terms with each other.

## Introduction

In the contemporary international landscape, where geo-political and geo-economic interests are intertwined, the interaction between states is moving away from large balance of power coalitions to strategic triangles. International relations theorists define strategic triangles as intimate, interdependent relations between three countries in which at a given time either the three share common strategic and economic perspectives or two states balance against the third. Further, these relations are transactional and tri-lateral ties could be cooperative, competitive or hierarchical.<sup>1</sup>

In the Indo-Pacific, a number of strategic triangles such as US–Japan–South Korea, China–US–Japan, India–Russia–China, South Korea–Japan–North Korea, and Russia–China–North Korea can be identified. Amongst these, the India–US–China triangle has emerged as an important triangle due to various factors. These include the United States’ renewed focus on Indo-Pacific under President Joe Biden, reversing the trend of withdrawal favoured by the Trump administration. China has increased its power projection in the region on the back of rapid modernisation of the People’s Liberation Army and Navy.

India too has a growing strategic footprint in the region, given its increased diplomatic and economic outreach. Strained relations between the United States–China and India–China are an essential part of the dynamics. Given that these three powers also share enduring economic and security interests, the manner in which the trilateral dynamic plays out will have a significant bearing on the stability and shape of the regional and international order.

## Historical Dynamics

In the early 2000s, the India–China–US was characterised by a certain degree of convergence of geo-political and economic interests, even as differences remained a constant undercurrent. The end of the Cold War and disintegration of the Soviet Union eroded the Sino-US security rationale. The Bush administration reversed President Bill Clinton’s policy of strategic partnership with China and termed China as strategic competitor.<sup>2</sup>

However, the 9/11 terrorist attacks in the US changed the calculations. The US in order to rally support for its Global War on Terrorism and the war in Iraq sought to cultivate cooperative ties with China. Although China did not publicly support US military moving into Iraq, the Chinese Communist Party (CCP) leaders saw it as an opportunity to improve relations with Washington and secure important strategic

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<sup>1</sup> Lowell Dittmer, “[The Strategic Triangle: An Elementary Game-Theoretical Analysis](#)”, *World Politics*, Vol. 33, No. 4, July 1981, pp. 485–515.

<sup>2</sup> Richard Baum, “From ‘Strategic Partners’ to ‘Strategic Competitors’: George W. Bush and the Politics of U.S. China Policy”, *Journal of East Asian Studies*, Vol. 1, No. 2, August 2001, pp. 191–220.

concessions on the Taiwan Strait and the South China Sea. Thus, Beijing responded positively.

Meanwhile, the disintegration of Soviet Union caused major changes in India’s external security environment and led New Delhi to explore avenues of cooperation with the US, finding common ground in shared concern for terrorism and China’s rise. Alternatively, following the setback in bilateral ties in 1998 due to India flagging the China threat as a cause of the nuclear tests, New Delhi proactively sought to improve ties with Beijing, largely in view of commercial interests. On China’s part, despite opposition to India’s nuclear tests, Beijing recalibrated towards cooperation due to growing military and economic cooperation between India and the US.<sup>3</sup>

The trend of cooperation with competition between India–US–China continued till the late 2010s. The trajectory of India and China bilateral ties went through many turbulences over the border dispute, geo-political competition, third-party ties (China–Pakistan and India–US). However, driven by concerns regarding overwhelming political dominance of the West (led by the US), India and China partnered in various multilateral platforms on issues of trade, climate change and global governance to negotiate favourable agreements for the Global South *vis-à-vis* the US and European countries.

As bilateral trade between the two countries expanded, opportunities of further cooperation were also explored. Accordingly, the two sides coordinated their efforts to promote alternative centres of power like BRICS (Brazil, Russia, India, China, and South Africa), SCO (Shanghai Cooperation Organization), AIIB (Asian Infrastructure Investment Bank), which dealt with various economic, security and developmental issues related to the Global South.

On another axis, Sino-US bilateral ties too went through turbulence over US arms transfer to Taiwan, Chinese cyber-attack on Google, intellectual property rights, South China Sea, among others. However, economic cooperation between the two countries expanded and Beijing and Washington also collaborated on non-proliferation of Weapons of Mass Destruction (WMD), CO2 emissions, transborder crimes and maritime security.<sup>4</sup>

Some of the major highlights denoting convergence and interdependence between the two countries were the rapid rise in bilateral trade, launch of policy coordination dialogue on defence, environment, maritime security affairs and even a pledge to jointly manage security issues in South Asia.<sup>5</sup> Further, notions like Chimerica and

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<sup>3</sup> S. Kalyanaraman, “[The China-India-US Triangle: Changing Balance of Power and a New Cold War](#)”, Commentary, Manohar Parrikar Institute for Defence Studies and Analyses (MP-IDSA), 21 September 2020.

<sup>4</sup> Jean Marc F. Blanchard and Simon Shen (eds), *Conflict and Cooperation in Sino-US Relations Change and Continuity, Causes and Cures*, Routledge, 2017.

<sup>5</sup> Jia Qingguo, “Closer and More Balanced: China–US Relations in Transition”, in *Rising China: Power and Reassurance*, ANU Press, 2009, pp. 21–32; “[U.S.-China Joint Statement](#)”, The White House, 17 November 2009.

G2 emerged, indicating high level of cooperation. Frictions though persisted over trade practices, intellectual property rights, market access and resource competition.<sup>6</sup>

Similarly, India and the US sidelined their mutual discomfort with bilateral ties with Russia and Pakistan respectively, and remained concerned with Beijing’s rapid military modernisation and increasing assertiveness in regional disputes. Following the signing of the India–US Civil Nuclear Agreement in 2005, the two countries worked consistently to strengthen defence ties. The two countries signed agreements like Logistics Exchange Memorandum of Agreement (LEMOA), Communications Compatibility and Security Agreement (COMCASA), General Security of Military Information Agreement (GSOMIA) and the Basic Exchange and Cooperation Agreement (BECA) and held joint exercises like MALABAR, The Rim of the Pacific Exercise (RIMPAC) to strengthen military communication and inter-operability.<sup>7</sup>

India welcomed America’s active presence in the region to counter Chinese hegemony. Washington too encouraged India to play a greater role to balance against China’s rise. Former US Secretary of State Hillary Clinton while visiting India urged it to not just look East but also to Act and engage with the East while continuing its leadership in Central and South Asia.<sup>8</sup>

An intricate combination of competition and cooperation defined the India–US–China strategic triangle. Although tensions existed, all three countries prioritised maintaining cordial relations and resolving friction points through peaceful means. Recognising the detrimental effects of unchecked rivalry, they actively sought to tame competition while fostering the benefits of bilateral ties. Further, extreme balancing against any one member remained absent.

Both India and China, despite their collaborative efforts to establish alternatives to US-led institutions, never explicitly challenged US’s crucial security role in the global arena that allowed them to prioritise domestic needs and limit resource expenditure on international governance. Similarly, for India and the US, China’s ascent, while raising concerns, was also perceived as an opportunity in terms of trade and investment and bolstering of global governance. Likewise, China and the US, despite hesitation regarding India’s geo-political ambitions in South Asia, valued India’s role in promoting economic security and political stability in the Indo-Pacific and beyond. They acknowledged India’s significance as a partner in navigating the region’s complex dynamics.

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<sup>6</sup> Niall Fergusson and Moritz Schularick, “[‘Chimerica’ and the Global Asset Market Boom](#)”, *International Finance*, Vol. 10, No. 3, pp. 215–239; Richard C. Bush, “[The United States and China: A G-2 in the Making?](#)”, Brookings, 11 October 2011.

<sup>7</sup> Joshua T. White, “[After the Foundational Agreements: An Agenda for US-India Defense and Security Cooperation](#)”, Brookings, January 2021.

<sup>8</sup> Sangeetha Kandavel and Joe A. Scaria, “[Look East, and Act East, too: US Secretary of State Hillary Clinton to India](#)”, *Economic Times*, 20 July 2011.

## Contemporary Trends

Currently, the India–US–China strategic triangle has taken a completely different course. The conflictual aspects involving India–China and US–China bilateral ties have intensified. The India–China bilateral relationship received a major setback after the Galwan Valley incident in May 2020 and relations have not normalised. Moreover, bilateral ties have become frostier as India resorted to various economic measures to retaliate against China’s violence at the border and Beijing responded by expanding its military outreach to South Asian countries.

With regard to the Sino-US ties, the bilateral relationship became more confrontational under the Biden administration. The trade war launched in 2018 exacerbated with imposition of retaliatory sanctions, calls for decoupling and severe competition over development of advanced technologies and artificial intelligence. Relations went into deep freeze over Taiwan when China cancelled the crucial bilateral dialogues with the US following Speaker of the House of Representatives Nancy Pelosi’s visit to Taiwan in August 2022.

Also, there are signs of India and US balancing against China. Traditionally, trilateral relations are assessed in terms of three models—‘*ménage à trois*’ which consist of symmetrical cooperative ties between the three powers; ‘romantic triangle’ where there exists amity between one pivot player and two wing players but enmity between the latter; and ‘stable marriage’ where there is amity between two players but hostility between each and the third.<sup>9</sup>

At this point, the triangular relations resemble ‘stable marriage’ model consisting of amity between India and the US and both sharing adversarial relations with China.<sup>10</sup> Following New Delhi and Washington’s fall-out with Beijing over the Galwan Valley crisis and trade war respectively, India and the US have moved rapidly to institutionalise the Quadrilateral arrangement with Japan and Australia, calling for concerted efforts to resist Chinese coercive tactics in the Indo-Pacific, forming supply chains less reliant on China and cooperate more closely on clean energy materials and technologies to counter China’s rising economic and diplomatic clout.

In November 2023, despite severe Chinese objections, India and the US along with 12 other countries signed the Indo-Pacific Economic Framework to build supply chains and production centres in critical technologies which could reduce dependence on China. More importantly, with an eye on China, Washington and New Delhi upgraded their defence ties in 2022–2023, inking major agreements and holding dialogues on military and technology such as Critical and Emerging Technology (iCET), Advanced Domains Defence Dialogue (ADDD) and India–US

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<sup>9</sup> Lowell Dittmer, “[The Strategic Triangle: An Elementary Game-Theoretical Analysis](#)”, no. 1.

<sup>10</sup> S. Kalyanaraman, “[Changing Pattern of the China-India-US Triangle](#)”, Commentary, MP-IDSA, 19 February 2021.

Defence Acceleration Ecosystem (INDUS X).<sup>11</sup> China on the other hand responded with increasing diplomatic outreach to South Asia, Pacific Island Countries (PIC) and South East Asia, declaring a no-limits partnership with Russia and reviving the Treaty of Friendship, Cooperation and Mutual Assistance with North Korea.<sup>12</sup>

## Future Scenarios

Three scenarios could be envisioned for the India–US–China strategic triad in the foreseeable future. First is that the three states arrive at a modus vivendi to ensure collective development in an increasingly uncertain world. The threat of geo-economic and geo-strategic disruptions emanating from climate change, resource scarcity, widespread displacement, unregulated use of Artificial Intelligence and the cyber space could lead the three powers to foster a pragmatic approach. Despite their difference, India–US–China could collaborate on climate mitigation, renewable energy development, and disaster preparedness. This scenario involving limited agreements, information sharing, and joint ventures could usher in a period of cold coexistence driven by necessity.

The second scenario is that the US becomes the pivot with whom both India and China share amicable ties but continue to be on frictional terms with each other. Such possibilities are visible. While Sino-US ties could secure a breakthrough in the context of Chinese President’s visit to the US in November 2023, restoration of bilateral military dialogue at the highest level and Chinese removal of visa requirements for US tourists, prospects of India–China détente appear doubtful.

India and China have been unable to resolve the outstanding issues left over from the Galwan Valley incident and the diplomatic impasse continues as the office of Chinese Ambassador to India remains vacant. Moreover, due to heightened mutual distrust about the other’s intent, political willingness to revive ties continues to be low.

In the final scenario, the current state of India and the US conflictual dynamics *vis-à-vis* China, especially in the Indo-Pacific region, could continue. Closer nexus between China and Pakistan, China’s increasing assertiveness in the maritime domain and muscle-flexing at the border, military power projection and rapid military modernisation have sustained the momentum of closer India–US defence and economic relationship. Concurrently, India is pursuing defence preparedness at an accelerated pace to meet Chinese threat at the border.

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<sup>11</sup> “[2023: A Remarkable and Historic Year For India-US Relations](#)”, *The Times of India*, 31 December 2023.

<sup>12</sup> Khang Vu, “[Why China and North Korea Decided to Renew a 60-year-old Treaty](#)”, The Interpreter, Lowy Institute, 30 July 2021.

The Biden administration has shown no inclination towards relaxing trade restrictions with China on advanced technologies. Beijing too on its part has been unflinching. Xi Jinping is expanding China’s diplomatic and military presence in the Indian Ocean Region, South and South East Asia and Pacific Island countries, revamping the country’s legal structure to counter foreign sanctions and modernising land, air and naval forces with a high sense of urgency with calls for resolutely defending national interests.

It is noteworthy that these scenarios are not mutually exclusive, and elements of each could play out in the complex dynamics of the India–US–China triad. The future remains uncertain and will be shaped by the choices these three major powers make in the face of mounting global challenges. Their approach towards cooperation, competition, or conflict will be consequential and determine issues of security and stability in the regional and international structure.

## About the Author



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