The Role of China and India in the G20 and BRICS: Commonalities or Competitive Behaviour?

Farooq, Asif B.; Cooper, Andrew F.

Veröffentlichungsversion / Published Version
Zeitschriftenartikel / journal article

Empfohlene Zitierung / Suggested Citation:

Nutzungsbedingungen:
Dieser Text wird unter einer CC BY-ND Lizenz (Namensnennung-Keine Bearbeitung) zur Verfügung gestellt. Nähere Auskünfte zu den CC-Lizenzen finden Sie hier: https://creativecommons.org/licenses/by-nd/2.0/deed.de

Terms of use:
This document is made available under a CC BY-ND Licence (Attribution-NoDerivatives). For more Information see: https://creativecommons.org/licenses/by-nd/2.0

URN: http://nbn-resolving.org/urn/resolver.pl?urn:nbn:de:gbv:18-4-9974

ISSN: 1868-4874 (online), ISSN: 1868-1026 (print)

The online version of this article and the other articles can be found at: <www.CurrentChineseAffairs.org>

Published by
GIGA German Institute of Global and Area Studies, Institute of Asian Studies and Hamburg University Press.

The Journal of Current Chinese Affairs is an Open Access publication. It may be read, copied and distributed free of charge according to the conditions of the Creative Commons Attribution-No Derivative Works 3.0 License.

To subscribe to the print edition: <ias@giga-hamburg.de>
For an e-mail alert please register at: <www.CurrentChineseAffairs.org>

The Role of China and India in the G20 and BRICS: Commonalities or Competitive Behaviour?

Andrew F. COOPER and Asif B. FAROOQ

Abstract: This paper examines China and India’s relationship within the ambit of the G20 process and the autonomous BRICS institutional architecture. The evolving relationship of each of these two emerging powers within these different institutional settings demonstrates a degree of agentic commonality and distinction. China’s and India’s approaches to both the G20 and the BRICS summit processes highlight a combination of status-seeking and hedging behaviour. While China’s cautious approach is complemented by assertive leadership in matters of national interest, India’s leadership has a very specific orientation towards developmental issues. Whereas China’s approach focuses on the United States and the rest of the West, India’s approach is increasingly positioned as a response to China.

Manuscript received 25 July 2015; accepted 29 April 2016

Keywords: China, India, G20, BRICS, informal governance

Dr. Andrew F. Cooper is a professor at the Balsillie School of International Affairs and Department of Political Science at the University of Waterloo, Canada. His research focus includes global governance, the proliferation of regional institutionalism, conventional and unconventional diplomacy, and summit forums including the G20 and the BRICS. His recent books include The BRICS VSI (OUP, 2016), Diplomatic Afterlives (Polity 2014) and The Oxford Handbook of Modern Diplomacy (co-editor, OUP, 2013).

E-mail: <acooper@uwaterloo.ca>

Asif B. Farooq is a Vanier Scholar and doctoral student at the Department of Political Science, University of Toronto, Canada. His research focuses on non-bank financial regulation in China and emerging economies.

E-mail: <asif.farooq@mail.utoronto.ca>
Introduction

China and India are most commonly viewed in tandem as the two emerging powers with the potential to change the geopolitical order. Both exhibit deep frustrations over the way they have been treated within the global system. They come to the global governance table with a mutual sense of historical grievances and claims, albeit contested (Vieira and Alden 2011), to represent the interests of all developing countries. They share a neo-Westphalian commitment to state sovereignty and non-intervention. They proclaim the need for a rules-based, stable, and predictable world order that respects the diversity of political systems and stages of development.

China and India were expected to be agents of powerful change in multilateral fora for the benefit of the Global South. Neither country, however, has exhibited any strong desire for revisionism; for challenging and altering the status quo of the international order (for more, see Johnston 2003). “Coupling” themselves in terms of growth, both have benefitted from the process of complex interdependence and globalisation in relation to the West. Indeed, the term “Chindia” became popular in the early 2000s as a means to differentiate the super-sized character of both China and India in the global economy (Ramesh 2005). In contrast to the revisionist argument, the two emerging powers opted to attempt to reshape the contour of international politics by socialising “change” through engaging in and reinventing the scopes of informal governance and institutions; the G20 and BRICS being two prime examples. Indeed, rebutting scepticism about the progress of BRICS, the two powers, despite mutual strategic rivalry on regional and global issues, successfully institutionalised mutual cooperation in the form of the New Development Bank (NDB), and undertook coordinated initiatives on other non-traditional security areas. However, it is apparent that cooperation between China and India from within BRICS to beyond the BRICS framework, particularly in influencing the G20 agenda beyond international financial governance, is absent and mostly rhetorical and timid at best. To address the puzzle of why this is the case, this paper contends that the divergence in the two nations’ leadership roles in seeking status attribution has weakened the prospect for wider and deeper cooperation between India and China in the G20 forum.

To locate this divergence in leadership, we need to first look at the common aspects. Both countries adopted cautious, “going along”
attitudes to the wave of institutional transition set off by the 2008 global financial crisis. Membership in the elevated G20 at the leaders’ level was accepted with little or no debate by the other members as a measure of recognition of India and China’s rising status in the global system. At the same time, both countries continued to probe ways to go around the established institutional structure, most notably through the projection of the BRICS forum which encompasses China and India, as well as Russia and Brazil (with the addition of South Africa in 2010).

However, to say that China and India have taken similar positions in how they have addressed questions of global order is not to suggest that there are no nuanced differences between them. On the contrary, it is these differences that are as compelling as the similarities between them. Although the cautious or “hedging” (for the definition of hedging as an “insurance policy,” see Foot 2006) approach provided the general framework for the responses of the two countries, China and India diverged in how and when they sought to carve out distinctive agentic spaces for themselves (Sikkink 2011). Such a pattern of general commonalities and specific divergences is reinforced by an assessment of the overall competitive/cooperative design of the respective foreign policies of China and India.

This article examines China and India’s relationship within the ambit of the G20 process (a “top table” forum that includes the members of the traditional G7 establishment and an array of countries from the non-West) and the autonomous BRICS institutional architecture. Although this relationship continues to evolve, some core features stand out. In terms of the methods and motivations for how agentic space is carved out, the site and intensity differ between China and India. China’s approach to both the G20 and BRICS highlights status seeking, with little attention paid to taking a leadership role on a start-up basis for functional initiatives. However, China’s caution does not mean it simply adopts a hesitant wait-and-see approach. When pressured by initiatives from other actors, China was quick to respond. In the G20, this defensiveness was projected in a tactical manner relating to specific pressures coming from the United States on issues such as currency valuations and imbalances. Within the BRICS nations, China’s repositioning was a consequence of India’s initiative to create a South-South or BRICS bank. Once pushed into action, however, China did not revert back to a “going along”
approach. As evidenced by the way it embraced its role as host of the G20 in 2016, China’s status-seeking approach became more assertive. Even more dramatically, China stalled India’s initiative on the BRICS bank, taking over the leadership role itself.

India’s approach also demonstrates some flexibility within the hedging framework. In terms of both the G20 and BRICS, India’s leadership had a very specific focus on the issues of economic development. In the G20, India showed a willingness far greater than that of China to take on some very specific forms of active engagement. India co-chaired a functionally-oriented working group. Furthermore, at the 2010 Seoul G20 summit, India advocated a more ambitious commitment to infrastructure development. However, India’s overall commitment to the G20 has been weaker than that of China, mainly because of the embedded solidarity India has with the United Nations. Unlike China, India has not moved to host the G20 summit process at the leaders’ level. Whereas the locus of China’s defensiveness was focused on the United States and the rest of the West, India’s defensiveness was in response to China. Having taken on the leadership role vis-à-vis the BRICS bank, India found itself at an explicit disadvantage in terms of diplomatic tools and at a material advantage as China took ownership of the initiative.

To understand the dynamics of the roles of China and India in the G20 and BRICS, therefore, it is not enough to locate the two countries as twin “emerging” powers potentially challenging the United States. There is also a need to locate them both in associative terms (in which they cooperate) and as competitors (in which they exist as strategic rivals). Some degree of similarity exists in the approach of the two countries, above all in their defensive styles with respect to the G20, but even these defensive styles display important divergences. Though somewhat masked by a common membership within the self-selective BRICS forum, the differences between China and India are evident on a range of issues, leading to a lack of any meaningful mutual cooperation in influencing the G20.

In the following sections, we first highlight the significance of China and India as emerging powers within the dynamics of the G20 and BRICS. We then examine how BRICS as an informal club allows some forms of China–India cooperation despite their strategic rivalry. Finally, the article analyses the divergence in leadership and strategic focus between China and India within the G20, a forum elevated to
the leaders’ level in 2008 and designed to be the hub of collective efforts on global economic governance issues.

**China and India’s Competing Strategic Aspirations**

China is poised to become a global power challenging the US dominance (Hu 2011; Subramanian 2011). He and Feng (2012) contend that it is “normal” for China to reorient its foreign policy based on changing national interests for a “peaceful rise,” given that the West makes accommodations. Zhang (2010) argues that China’s great power relationship with the United States, its deepening strategic relations with Russia, its increasingly active diplomatic engagement in Southeast Asia, its new geopolitical orientation towards safeguarding its economic security, and its focus on enhancing soft power increasingly demonstrate its emerging status as a global power. What is more compelling is China’s assertiveness in terms of its leadership role, as observed during the establishment of the Asian Infrastructure Investment Bank (AIIB), in addition to the One Belt, One Road (一带一路, yī dài yì lù) policy. The regional economic potentials from these two projects created a significant wave of diplomatic bandwagoning in opposition to the US position. More than 20 countries (there are currently 57 prospective founding members) joined the China-led meeting held on 10 June 2014 in Shanghai to discuss the establishment of the AIIB, which promised to meet Asia’s USD 8 trillion need for infrastructure development. Further, in the context of an unfolding security crisis in the South China Sea, Chinese leaders’ sensitivity to popular nationalism was also evident and further reinforced China’s assertive role (Yahuda 2013; Scobell and Harold 2013) with plausible counter-productive effects on its regional leadership (Beeson 2013; Li 2015).

Given these debates about China’s rise, it is perhaps not surprising that, since the 2008 global financial crisis, the country has adopted a cautious approach to engagement with global institutions. Notwithstanding the erosion of US/Western influence, China did not move quickly or decisively to capitalise operationally on these circumstances. Instead of offering up replacement forums as an immediate challenge to the status quo, China engaged loosely with the measures of institutional adaptation offered up by the older Western establish-
ment. While China continued to be ambivalent about a leadership position (and a shared sense of ownership) in these institutions, it continued to engage fully in these institutions.

At the same time, the recent regional focus of India in Southeast Asia and beyond also exposes its emerging role within a competitive regional economic and security space shared with China (Pardesi 2015). In recent years, a broader framework with respect to economic regionalism has animated more potential for emerging states and India has moved in this direction. Extending Narashimha Rao’s “Look East Policy” (Jaffrelot 2003; Chatterjee 2007; Sikri 2009) and Vajpayee’s “extended neighbourhood” policy (Scott 2009), India has concluded six Free Trade Agreements (FTAs) since 2000: with Thailand in 2003, Singapore in 2005, South Korea in 2009, ASEAN in 2010, Japan in 2011, and Malaysia in 2011. The convergence of economic and security incentives, not the least balancing China, served as an added incentive with respect to India’s inclusion in several ASEAN countries’ forums (Malik 2012: 368–371; Yahya 2005: 397–398).

In the hard power dimension, India has been sustaining steady growth in its military expenditure per capita (USD 9.7 billion in 1991 and USD 38.1 billion in 2013, compared to China’s expenditure of USD 8.7 billion in 1991 and USD 138 billion in 2013; see SIPRI Military Expenditure database). India received the status of nuclear power in the late twentieth century, and established its new strategic military partnership with the United States, what Ganguly and Scobell (2005: 42–43) call a “healthy relationship.” The removal of Indian defence companies from the US Entity List in 2001, the 10-year defence partnership known as the “New Framework for the US-India Defense Relationship,” and India’s wider range of options for procurement of military technologies and enhancing interoperability as a by-product of US-Indian joint military drills (Jaffrelot 2009: 3) reveal, at least implicitly, a competitive project vis-à-vis the Chinese military force (Saalman 2011). Aside from growing economic cooperation, the regional anti-terrorism campaign, sea-lane protection, and balancing China’s influence in the South and Southeast Asia are some of the converging strategic interests for India and the United States.

Nonetheless, China’s rapid military modernisation, capitalising on its economic growth, has already surpassed India’s military advancement (Burilkov and Geise 2013: 1047–1051). Indeed, China’s growing military and diplomatic power is a security threat to India’s
regional aspirations. The countries fought a war against each other over their protracted border dispute. The two-week military standoff in Ladakh in 2014 further aggravated the two countries’ relations. While India’s own foreign policy approach has made substantive achievements, its capabilities are yet to match its rising expectations, let alone China’s diplomatic prowess (Mansingh 2010). Huang Yasheng (2011) argues that China and India’s relations are fraught with more competing issues than their mutually common interests. At the same time, under the tutelage of an external alliance, the secondary regional powers, Pakistan and Japan, have been engaging actively or passively in their respective regional contexts with their powerful neighbours India and China on the various fronts of regional affairs, often driven by security interests and historical antagonism (Smith 2013; Ebert, Flemes, and Strüver 2014). The difficult regional security context that India has to grapple with in order to advance its regional aspiration highlights that India is at a transitional juncture where it is struggling “to strike a balance between regional interests and its global aspirations – considerations that are not easy to reconcile” (Raghavan 2013). This limitation of being in a state of transition is also seen in India’s slow progress in regional groups. For example, although the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) finally gained traction due to India’s interest (and without the presence of Pakistan), progress has been sluggish (Yong and Mun 2009: 35). The idea was first floated by Thailand to recompense the structural constraints of the South Asian Association for Regional Cooperation (SAARC) based on its regional security dynamics. Despite BIMSTEC’s strategic linkage with South Asia and Southeast Asia (Yahya 2005), it has been slow to develop a framework for a FTA (Panda 2014).

In the economic dimension at the bilateral level, despite increasing trade volumes, coordination between the Chinese and Indian economies continues to be a difficult issue. Although they agreed in 2003 to enhance cooperation and hold regular dialogues on WTO negotiations, and despite their common interests and positions, and their economic potentials and rhetoric on South–South cooperation, economic integration between India and China remains relatively weak (Chen and Chen 2010: 114–121). Indeed, the majority of the anti-dumping investigations against China were initiated by India
alone (accounting for 17 per cent of the total anti-dumping investigations against China) (Yu 2014: 1254).

Despite their competitive rivalry, however, the cooperative dimension of the China–India relationship can be documented in a number of illustrations. Since the visit to China by the former Indian prime minister, Atal Bihari Vajpayee, in 2003, China and India have established joint study groups, initiated strategic dialogues, and promoted their bilateral relations by celebrating the China–India Friendship Year of 2006. An agreement on Sino–Indian energy cooperation was signed in 2006; joint anti-terrorism training exercises were conducted in 2007; and several official visits by both countries’ leaders had taken place at the time of writing in 2015. Still, while these developments demonstrate a clear effort to maintain an active diplomatic engagement at the bilateral level, there are constraints in terms of competing geopolitical interests that profoundly affect China–India relations.

Scholars also dispute India and China’s rising influence (Golub 2013; Flemes 2013) under the South–South partnerships such as IBSA (India, Brazil and South Africa) and BRICS. Although the emerging powers’ “discursive alignment” through “social claims” of normative preferences (Mielniczuk 2013: 1078, 1087) may indicate the potential endurance of emerging powers’ South–South solidarity as a force in international politics, Nel and Taylor contend that such solidarity (in terms of IBSA) is “little more than a discursive veil” (Nel and Taylor 2013: 1107). It holds little political currency for emerging economies, especially India, to project through their global outreach to southern partners. Robert Wade (2011) also argues that the geopolitical shift in power in favour of the emerging economies, including India, has been much smaller than many had anticipated (also see Nel and Taylor 2013). The argument of some of these literatures relies on the fact that while India and China, along with their southern partners, have succeeded in framing their partnership identity based on their common colonial and great civilisational and historical legacy vis-à-vis the North (or the West), they neither challenge nor do they present an alternative to the fundamental neoliberal architecture set by the Western powers. Scepticism also exists as to whether or not China’s assertiveness is premature or is only a social construct or an objective phenomenon (Suzuki 2014; Jerden 2014).
A Test of China–India Cooperative Dynamics within the BRICS Framework

A serious test of the cooperation between China and India relates to the internal dynamics of the BRICS association, particularly with regard to the BRICS bank. On the one hand, the BRICS institutions serve as the mediative “voice” that strives to challenge a superpower’s [the United States’] ability to “waive the rules in order to rule the waves” (Prantle 2014: 481). Indeed, Leksyutina (2014) argues that consolidation of the BRICS initiative is a means for China to pave a way to global economic governance. Similarly, Abdenur writes, “From a geopolitical point of view, the BRICS helps China to counter US hegemony without direct confrontation” (2014: 92). On the other hand, BRICS is also transformative in the sense that it acts as an exit option in remedying distributive conflicts of power. That being said, scepticism was high at the initial stage about whether the BRICS association would sustain or would ultimately turn out to be “brics without mortar” (Stephens 2011). Since the idea of the NDB was introduced, pessimism surrounding the bank’s viability was further escalated due to the project’s ambitiousness (Warner 2012; Yardley 2012). Even Takehiko Nakao, president of the Asian Development Bank, pointed to the BRICS capacity challenge in establishing the bank, saying,

Setting up banking business is not easy as it involves finding new projects, financing them and then monitoring the use of these funds and repayments. *(The Economic Times* 2013)

However, the BRICS nations were able to translate an ideational concept into delivery at the 2014 Fortaleza summit in Brazil with the creation of an initial USD 50 billion fund with equal stakes for each of the BRICS members. Furthermore, the BRICS economies also agreed to establish the Contingent Reserve Agreement (CRA), amounting to USD 100 billion to deal with any future financial crisis.

The BRICS alliance’s ability to deliver a tangible result, however, did not come about without highlighting the sensitivity of the China–India relationship. What was salient about this initiative was not only that it repositioned the defensive response of the two countries to the ascendancy of new informal (with a self-selected membership and no charter or physical site) in the wake of the global financial crisis, but also that it made prominent the differences, as well as the similarities,
between China and India’s approaches in a summit process in which they were both members.

As with the G20, India’s initial response to the original four-nation BRIC framework was caution. In the early stage of club development, the Indian foreign minister played down the implications of the forum, saying,

These four countries are not arranged against any other countries or any other group of countries. It is not even an effort to flex muscles. We are trying to learn from each other. (RT.com 2009)

Even when the BRIC grouping was elevated to a leaders’ level summit at Yekaterinburg in June 2009, Prime Minister Manmohan Singh took a low-key approach, a stance that could be contrasted with the high-profile championing of the alliance by Brazil’s president Luiz Inácio Lula da Silva.

By 2011–2012, however, this cautious approach had subsided. Departing from the wary ambivalence it had displayed toward the G20, India took on the role of host nation for the fourth BRICS summit in New Delhi. Moreover, Prime Minister Singh pointed to a BRICS relationship that had moved beyond the function of a grouping to monitor the progress of the G20 to a forum with an autonomous agenda of its own. He said,

The relevance of BRICS to the international order has increased over time […]. The agenda of BRICS has gone beyond the purely economic to include issues such as international terrorism, climate change and food and energy security. (Ministry of External Affairs 2011)

In terms of its repositioning from a largely defensive approach, India’s shift in institutional targeting came to the fore most dramatically through its ambitious form of entrepreneurial and technical leadership with respect to its proposal for a “South–South” or development bank in March 2012. In contrast to the established pattern where India stood back while other countries did the running on an initiative and its initial scepticism that the BRICS grouping could be a problem-solving body, in this case India jumped out to the front.

The initiative, however, showcased the need for serious bargaining within BRICS. It was clear from an early stage that Indian and Chinese interests were at odds. Xu Qinghong, section chief of the
banking supervision department at the China Banking Regulatory Commission noted:

There are vast differences between us […]. Looking at the history of other multilateral institutions, I think such a feasibility study will take a long time and it may test our patience. Since the Delhi Summit, so far in China there have been a lot of doubts about a proposal. (Krishnan 2012)

Despite these complications, Indian officials persisted with the initiative. Up until the 2013 Durban summit, they pursued a plan whereby there would be an initial capital of USD 50 billion to launch the fund with each BRICS country making an equal contribution of USD 10 billion. China, however, pushed for an alternative model bolstered by its advantage of holding massive international monetary reserves of well beyond USD 3 trillion. Its model encouraged contributions based on each country’s financial capacity and planned for an overall capital base of USD 100 billion. This model would provide China with an opportunity to contribute more to the bank’s capital base and thus, would give it an asymmetric power advantage within the NDB’s founding members (Sahu 2013).

To complicate the situation further, before the 2012 Tokyo meeting of BRICS finance ministers, Xu Qinghong worried that “non-economic factors” might hinder the NDB’s establishment. Indeed, non-economic factors became the major driving forces during the intensive bargaining between China and India in delineating the bank’s development. In response to China’s stance on the details of the bank, India was often wary of its unequal power relation with China and played defensive moves in response. For instance, there was speculation that China was willing to pay part of other BRICS members’ share of the bank’s starting capital to resolve initial funding problems. This action could potentially allow China to take a leading role in advancing its own political agenda. From an Indian perspective, such a move would further exacerbate India’s competitive relations with China. India’s legitimate concern was that China’s leading role would eventually make the bank more like other international financial institutions (IFI) where big members’ voting rights overshadow those of smaller members. To counterbalance China, India even contemplated the idea of opening up the bank’s membership to include advanced economies, whereby they would receive a minority stake (between 40 per cent and 45 per cent) as contributors. Such a
strategy would effectively prevent China from using its financial power to play the dominant role.

A second contentious issue emerged when the BRICS members wanted to decide where the bank’s headquarters would be located. While not a major source of debate at the outset, the issue amplified as the initiative slowly took shape. China, India, and South Africa all wanted to host the institution. The physical location of the bank had the potential to give a symbolic, if not tangible, advantage to the host nation in relation to the bank. In its efforts to headquarter the bank, India maintained the impression that it remained the inspirational force behind the institution. Indian Prime Minister Singh reinforced this view in his statement at the Durban summit in 2013. He said,

The ideas that we first discussed at New Delhi, that of instituting a mechanism to recycle surplus savings into infrastructure investments in developing countries, has been given a concrete shape. *(The Economic Times 2013)*

However, India’s ideational inspiration did not easily translate into its physical ownership of the bank’s headquarters. While India wanted the headquarters for itself, China took the stand that the bank headquarters should be located in Shanghai. This position was championed in turn by China’s key think tanks. After the New Delhi summit, the Financial Research Center at Fudan University argued that “China should strive to become the headquarters of the BRICS bank” (Shanghai Forum 2013).

Contestations about control later spilled over into the issue of which currency would be the bank’s functional currency. The memorandum of agreement signed at the New Delhi summit in 2012 opened the way for BRICS member development banks to extend loans in their respective currency denomination. The process of moving away from the US dollar opened up speculation about Chinese control through the internationalised CNY, especially as China benefitted from advocating the use of its own currency to offset currency risks in development finance. Indian finance ministry officials were reported to express the view that the bank’s goal had become a means of “legitimising” the use of Chinese currency overseas *(The Times of India 2012)*.

In spite of the tensions between China and India outlined above, the bargaining process, which ultimately led to the finalisation of the New Development Bank with its headquarters in Shanghai and its
first president an Indian national, appeared to consolidate the club culture among the BRICS members. Thus, the NDB, to echo Cheng’s argument (Cheng 2015: 364), is not only an example of institution-building for the purpose of containing bilateral conflicts, but is also a means of enhancing their collective international influence.

Moreover, the partnership extended under founding membership of the AIIB, as well as economic cooperation under BRICS, brought India and China a step closer due to their overlapping interests in national financial security. India had endured an acute balance of payment crisis in 1990/1991 due to a combination of domestic factors and external shocks. Among the many lessons that India learned from that crisis – and from its Asian peers, including China, after the Asian Financial Crisis of 1997 – was the need to develop a large foreign reserve in order to weather a future financial crisis. However, domestic electoral politics based on populist agendas allowed India little room to maintain a healthy balance of payment. Indeed, avoiding another balance of payment crisis remained a constant headache for the new governor of the Reserve Bank of India, Raghuram Rajan. While the International Monetary fund (IMF) was India’s last-minute rescuer during its financial crisis in 1991, in return for which, India had to adopt neoliberal reforms, it was in India’s interests to have an alternative “safety net” in the form of the currency reserve for any future financial crises. Furthermore, a cash-starved India has been in acute need of infrastructure investment to enable broader economic development and security. Meanwhile, China needed to diversify its massive foreign reserve away from its investment in US Treasury bonds. Financing the NDB and the AIIB projects provided China with an alternative investment avenue that ultimately killed two birds with one stone: firstly, it helped to diversify China’s foreign reserve investment and further supplemented its foreign policy objectives; and secondly, the BRICS reserve currency pool of USD 100 billion furthered India and China’s cooperation on common financial interests.

Perhaps then, it was no wonder that India’s prime minister, Narendra Modi, hailed the NDB as a new chapter of cooperation for the BRICS members and further noted that it demonstrated “our capacity to set up institutions” (Zee News 2014; The Times of India 2014). The bank also showcased China’s ability to craft an initiative that furthered its own ambitions. However, aside from common interests,
the level of cooperation witnessed between China and India in establishing the NDB was either not evident or was mixed at best on the issue of global financial governance in other multilateral fora. This raises questions about the possible spillover effect of cooperation “within the BRICS” to coordination “outside the BRICS framework.”

China and India’s Approaches on the G20

China’s Initial Caution towards the G20

The elevation of the G20 to the leaders’ level was in many ways attractive to China, as Chan argues, in that the G20 offered more opportunity than risk for China (Chan 2012: 198). The explicit structural need, and diplomatic request, for China to be a part of the summit process played well to Chinese status claims. Although part of the more generalised ascendancy of emerging powers generally and the BRICS specifically, China was accorded a special place in the formation of the G20. “Quiet” diplomacy by the United States in managing the financial/economic crisis was directed in good part towards China, to the point of putting the notion of a G2 into play. Although this inner group never took firm shape, China’s agreement to be part of the G20 served as a make or break moment for the immediate legitimacy, and the prospect of efficiency, for the overall summit design.

By embracing the G20 from the outset, China put to rest the negative images of it as a revisionist country that is planning and actively working towards an overturn of the status quo (Mearsheimer 2006: 160–162). Not only did China not place any conditions on its participation, its declaratory statements of “ascendancy” were muted. In comparison to Brazil for example, there was no sense of demand or satisfaction that China had moved beyond the status of “outreach” country to the G7/8.

While China enjoyed de facto special status it did not take on this role in a public fashion. Its official status was no different to that of the other countries invited to attend the first G20 summit in Washington DC in November 2008. Indeed in strict hierarchical terms, when the G20 leaders were asked to speak by President George W. Bush on 15 November, it was the King of Saudi Arabia who took the lead-off position. Yet in symbolic terms, a key indicator
for such an informal hub institution, China stood out, as witnessed by the position of President Hu Jintao to the right of President Bush in the official picture of the G20.

This mix of high informal status and formal equality also served China’s position in terms of the rest of the “developing” world. The fundamental danger for China was that it would be seen as joining a self-selected forum of the powerful, and thus would abandon its credentials as champion of the Global South. The mix of informal status and formal equality neatly got around this predicament. The entry of China into the G20 sent a signal to other countries that it was a power that mattered, without any redefinition of image or sense of isolation.

The cautious approach adopted by China towards the G20 reflected this concern with flexibility. China in the initial stages of the G20 demonstrated that it was thoroughly onside with the G20’s agenda. Nonetheless, its major signals to this effect did not come in the actual G20 summits. Rather, policy announcements were made in parallel – and anticipatory – fashion. The first, and arguably the strongest, sign of this pattern came with the announcement by China of its massive stimulus package prior to the Washington DC summit. This was a pattern that continued. In the run-up to the June 2010 Toronto Summit, the Chinese government tried to pre-empt pressure on the CNY by announcing the restart of exchange rate liberalisation.

This focus on taking moves prior to the G20, though, also indicated the limits of China’s engagement with respect to the G20. In part, this reflected the collective leadership culture. Ad hocery was not a part of the Chinese diplomatic script. Parallel and anticipatory announcements not only signalled a certain distance and autonomy from the G20 process, it also allowed strategic policymaking.

When such parallelism and anticipatory actions were in accordance with win-win outcomes, a two-way form of accommodation became part and parcel of the G20’s build up of momentum. China adapted itself to the operational methods of the G20, through its working groups, and the G20 accommodated itself to China’s participation, for example, by allowing it a large number of sous-Sherpas (in some meetings up to 40, which was a very different model from the more streamlined G7/8).

When either indirect or direct demands were made on China, however, there was resistance. On one front, this defensive style focused on pushing back attempts to widen the agenda beyond the
crisis-committee agenda, moving the G20 past the financial crisis to an agenda that targeted issues such as development or climate change. This resistance was in large part due to concerns about losing autonomous decision-making. As Acharya writes, China’s defensive posture comes from its “desire not to sacrifice its sovereignty and independence for the sake of multilateralism and global governance” (Acharya 2011: 589). There were concerns as well about process, with the intrusion of the G20’s agenda into areas better suited to, and more legitimately, the purview of the UN. Style and substance thus met, as the strict compartmentalisation between the G20 and the UN reinforced China’s credibility with non-members of the G20, which had concerns about further G20 encroachment.

Such concerns came out in repeated fashion. Just before the 2009 London summit, for example, papers were put forward by Vice Premier Wang Qishan and the Central Bank governor, Zhou Xiaochuan, with Wang calling for the G20 to “look beyond the needs of the top 20” in how the international financial system (IFS) is run (Wang 2009). Indeed, Eccleston, Kellow, and Carroll (2015: 310) write that endorsement of trans-Atlantic cooperative initiatives in the G20 encountered obstacles from emerging economies, particularly China, because of fear of encroachment into national interests. Indeed, China did not hesitate to assert itself in removing Hong Kong and Macau from the OECD’s list of tax havens during the 2009 London summit (Watt et al. 2009; Lesage 2010).

Chinese resistance was even more robustly aimed at issues that more directly targeted its policy space. An early and ongoing example was the attempted use of the G20 by the United States to deal with currency issues. The other main example was the attempted push on the question of trade imbalances. The ongoing activities of the G20 then showcase a fundamental paradox in the global system’s core institutional architecture. The United States, as made apparent by issues such as currency and imbalances, wants to maintain some elements of the disciplinary culture associated with the G7/8. But, in terms of capacity, the United States no longer possesses the ability to change the policy space of other systemically important countries such as China on a coercive basis. Such shifts can only take place on a voluntary basis, where such moves are viewed as being in conformity with national, as well as international needs.
The effect of this governance gap has meant that China remains wary of some aspects of the G20 process. Yet, even with this circumscribed comfort level, China has moved to make strategic use of the G20. At one level, China has amplified the G20 as an operational means of conducting bilateral or plurilateral relations. Indian commentators, for example, have commented how organised China has been in arranging bilateral meetings at the edges of the G20. The most striking illustration of this dynamic came with the deal between US President Barack Obama and Chinese President Xi Jinping immediately before the November 2014 Brisbane G20 summit, in which China agreed to cap its greenhouse gas emissions by 2030 at the latest and to diversify its energy supply to include more non-fossil fuels.

On the plurilateral side, China used the G20 meetings to build autonomous activity by the BRICS countries. If not the mobiliser of the BRICS as a summit process, as explained earlier, China was an important animator of the BRICS caucus meetings on the sidelines of the G20. Consistent with its own defensive approach, the main motivation of this activity was explicitly instrumental, building up a coalition of resistance against any G20 initiative, such as on currency valuation and trade imbalances, that were deemed detrimental to its own national interests (Schirm 2013: 700–704).

In terms of the G20 summit itself, China’s hedging instinct, that is its desire to keep its options open and not over-commit, has been maintained. Such an approach signifies that China increasingly sees the G20 as a means to an end or ends. Instrumentally, China remains committed to the G20 crisis-committee approach, but it is cautious about how wide it wants to go in areas of agenda-stretch that would take the G20 into steering committee territory. As one leading Chinese expert argues:

There is a tension between China’s desire for the G20 to be an effective body and its interest to preserve China’s independence over domestic affairs. This is the reason for China’s ambivalence, for example, over the mutual assessment mechanism that the G20 powers agreed that the IMF would initiate after the Pittsburgh summit. China believes this mechanism should be consultative and instructive in nature, while others believe it should have more authority to intervene in order to help coordinate policies more effectively. (Chen 2011)
Where it is most active is in making sure its status claims are thoroughly embedded, above all in terms of Bretton Woods Institution (BWI) reform. Even here, though, there are constraints on how far China wants to move. China, for example, did not follow up on the Brazilian initiative on a BRICS rescue mission for the eurozone at the Cannes G20. Nor has China pushed for a candidate for the top jobs at either the IMF or the World Bank. Instead, it has focused most of its substantive attention on offering parallel initiatives on the development agenda through BRICS that contrast with the G7/8’s own moves in these policy areas. Significantly, as part of this diplomacy of contrast, China has called for the G7/8 to keep up their own efforts at making sure that official development assistance (ODA) levels and the Millennium Development Goals (MDG) are not altered.

India’s Strategic Defensiveness and Functional Innovative Capacity

Far more so even than China, India stands out as a country that has made “saying no” its moniker in global affairs. As witnessed by its role in the World Trade Organization (WTO), India is ready to act as a blocker not only in tandem with other countries, but also on its own, if it feels that domestic constituencies are being hurt. In 2006, India’s commerce minister Kamal Nath stood up to pressure for a deal on the Doha Round, bluntly acknowledging that failure was better than a bad deal. Nath justified this uncompromising stance by reference to the interests of India’s poor (Beattie 2009). “They know I stand up for them,” he said, “That’s why they support me.” In 2013, at the Bali WTO Ministerial Conference, India again demonstrated a willingness to stop any result that did not allow the current ceiling on food subsidies to be raised at the national level. In an official release, trade minister Anand Sharma underscored that India’s concerns over food security were non-negotiable: “India’s public stockholding programme for public distribution system cannot be compromised for minor gains of the developed countries” (GoI 2013).

With this background in mind it is significant that India reacted in a “going along” fashion when the elevation of the G20 to the leaders’ level took place in November 2008. While India did not overtly resist the move, by acting as a defector or strategic spoiler, it stood out for its combination of wariness and expectancy regarding status enhancement. Prime Minister Singh made it clear that the catalyst for
the meeting was the West, saying that the leaders’ meeting took place “against the backdrop of the financial crisis that has emanated in the United States and Europe” (GoI 2008). If concerned about the contagion effect, Singh made no offer of any tangible form of collective action, accepting that the G20 potentially had “an important role to play in considering corrective measures to prevent future recurrence of such events” but that the deliberations involved issues that were “complex and will require sustained deliberation over a period of time” (GoI 2008).

The scepticism about the immediate substantive effect, however, was joined by signals that India was an ascendant country with the right to take a more central position in the global system. While leveraging the crisis to gain advantage on a de facto basis through the G20, pointing out that “[his] participation in the Summit demonstrates this changing landscape of the international economy,” Singh’s main game was to achieve both symbolic and tangible acceptance for “our views on the need for greater inclusivity” in the wider global system (Ministry of External Affairs 2008). At the core of this main game were the goals of not only reform of the BWIs, but also the accession of India as a permanent member of the United Nations Security Council (UNSC).

India’s ambivalence about the pivotal role of the G20 manifested in operational terms when the summit process came into being. India was noticeably absent from the elaborate diplomatic web that preceded the Washington summit. Instead of using the G20 as an opportunity to expand contacts, India framed the summit in technical terms, with the only major announcement being the selection of Montek Singh Ahluwalia, deputy chair of the planning commission, as Prime Minister’s Singh’s choice of representative. Although Ahluwalia was a highly competent official, his choice was very different from that of Brazil and China, both of which appointed experienced foreign policy hands (Antonio Aguiar Patriota and He Yafe, respectively) to this position. As Alagh (2012) elaborated, such an approach allowed India to take “like ducks to water in the consensus on pushing the Mutual Assessment Process to country-specific commitments.”

Nor did an expansive think tank/academic lobby grow up in India vis-à-vis the G20. In China, this type of mobilisation allowed both networks and trial balloon ideas to flourish. The Shanghai Institutes
for International Studies (SIIS), notably, took a lead role in creating big-picture intellectual and policy space for the G20, terming the G20 an “indispensable body,” though one with lots of constraints (Wei 2011).

India relied far more on individual, far-sighted opinion-leaders, although it must be noted that the Indian Council for Research on International Economic Relations (ICRIER) put together a series of events around G20 themes starting with a conference on “International Cooperation in Times of Global Crisis: Views from G20 Countries” in September 2010. Whereas the Chinese SIIS was accorded the scope to analyse the geo-political implications of the G20, however, ICRIER stuck to a technical mandate with a prime focus on issues such as the scope and architecture of financial regulations, accounting standards and financial transparency, and global imbalances and the international monetary system.

Under these conditions, India adopted an approach dominated by a strategic wariness relating to its determination to keep the UN as its first best option. Rather than endorsing the G20 as the premier forum at a time of crisis, India’s representative (Minister of State Preneet Kaur) reiterated India’s traditional view about the salience of the “foundational” institutions:

The United Nations provides a unique forum, with unparalleled legitimacy and inclusivity. This UN Conference on the World Financial and Economic Crisis and its Impact on Development is only the second such gathering held of the United Nations on the financial and economic system and architecture, the first being the UN Conference on the Monetary and Financial System held in Bretton Woods in 1944 with the participation of all the then 44 members of the UN. In that sense, this is a truly historic meeting. It is vitally important that this landmark event coupled with the UN’s convening power is used to hear the voice of the entire global community on the extraordinary crisis being faced by the global economy today. (Permanent Mission of India to the UN 2009)

In the statement, Kaur mentions India’s “active engagement” in the G20 along with the work of the forum “aimed at redressing the current global economic situation so as to bring the global economy back to the trajectory of sustained growth.” However, her language reveals a high degree of both symbolic distancing and instrumental contingency. In contrast to the high degree of identification and label-
ling of the UN, the G20 is referred to as “they.” This reflected a generalised scepticism on India’s part that the G20 lacked legitimacy to a certain extent, in that it was divorced from the larger group of developing countries.

Although prominent officials such as Finance Minister P. Chidambaram argued that the G20 was a major improvement over the G7/8, there was a wariness about the G20’s ambitions. He said,

I would have liked global oversight, not a global regulator; just an oversight mechanism to ensure that the national regulator and national authorities are implementing the action plan. (The Times of India 2008)

Even while pointing to the G20’s strengths, he hedged his assessment, stating,

I don’t know whether the G20 will replace the G7 […]. But I think the G20 will become the most important economic forum like BRIC (Brazil, Russia, India and China) to address the economic issues. (The Times of India 2008)

The core diplomatic impulse was to lever the crisis, and the creation of the G20, into a wider set of institutional reforms that consolidated India’s position in terms of participation to formal organisations and amplified fairness in the global system. Shifting the debate from a problem-focused perspective about what India could do for a world under stress, the main theme of the address was what the world should do for India in terms of a multilateral catch up. These status concerns with an eye to making sure that India got the equitable result it deserved were buttressed, moreover, by apprehension about possible separate arrangements between the United States and China concerning the de facto formation of a G2 (Mohan 2013). What was needed, therefore, was a signal that the tenets of multilateral global governance would be strengthened, not by-passed:

At the UN, the General Assembly must be revitalized along with a real reform of the Security Council […]. At the BWIs, the voice and quota reform needs to be accelerated so as to make these institutions both responsive and effective as well as credible and relevant in continuing to play vital roles in global economic affairs. (Permanent Mission of India to the UN 2009)

These core characteristics became consolidated in the follow-up G20 summits. Without a strong sense of ownership of the G20, India was
content to focus on the spillover (transactional) advantages of belonging to the top-tier forum. The most significant of these benefits to India, as with China, was the ability to caucus and/or lobby jointly via the emerging BRICS grouping. Indeed, on an ad hoc basis, Prime Minister Singh moved ahead in using the G20 as a means to meet on a bilateral basis with other key leaders. At the April 2009 G20, Singh met one-on-one with both US President Barack Obama and UK Prime Minister Gordon Brown. At Pittsburgh in September 2009, Singh met again with Prime Minister Brown, as well as the leaders of Japan and Australia. At the Toronto G20 summit in June 2010, Singh met once more with President Obama and was a guest at a dinner hosted by the Canadian prime minister, Stephen Harper, at the end of the summit.

In line with its functional bias, India built up its policy reach in low-key, but important, specialised areas. There were some aspects of this activity that used G20 initiatives as a catalyst for national action, as in the case of anti-corruption, where India pushed to introduce a bill in parliament, in March 2011, to criminalise foreign bribery. In other cases, however, it is the mix of entrepreneurial and technical elements that stand out. India most notably co-chaired, alongside Canada, the G20 Framework for Strong, Sustainable and Balanced Growth Working Group – a leadership role that it has held since the Group’s launch at the 2009 G20 summit in Pittsburgh.

The main concerns of India regarding the G20, however, remained wariness over the spillover effects of the financial crisis and a new form of status-seeking, both individually and in combination with the alternative informal summit process within the BRICS. Both of these concerns were clearly evident at the 2012 G20 Los Cabos summit. In a departure from his usual low-key declaratory style, Prime Minister Singh went on the offensive to try to rein in the shift of approach in the West from stimulus to austerity. Terming the relationship between austerity and growth “contentious,” Singh argued that “synchronised austerity” across many countries is not the right approach when the growth impulse is weak (Srinivasan 2012).

India’s elevated status-seeking was in some part a reflection of the comparative advantage it appeared to have in responding to the financial crisis. Up until 2013, India considered itself to be decoupled from areas that were harder hit. While not overly generous, India could still signal its reversal in fortunes from earlier decades by
pledging USD 10 billion to the IMF’s firewall for the eurozone. Such a commitment, however, was hugely overshadowed by China’s own commitment of USD 43 billion.

Deeper participation in the G20 by India only came in 2013 at the St. Petersburg summit where it took up the issue of the US Federal Reserve’s tapering of quantitative easing policy (because of capital outflow and currency depreciation). What stood out about this closer form of engagement, though, was its reactive nature combined with components of a return to grandstanding. What India wanted, in addition to its ongoing bid to gain spillover reforms on the BWIs, was to use the G20’s collective identity to instrumentally defend its own position in the global economy. Whereas in the immediate aftermath of the “made-in-the-North” financial meltdown, in the period just after 2008, India was confident about the ability of its macroeconomic policy to effectively deal with the crisis, by 2013, it was suffering from a creeping sense of concern about contagion.

Do Recent Trends Reinforce Commonalities or Competitive Behaviour?

From this examination, it is clear that the foundational starting points of both China’s and India’s approaches to the innovative informal institutions created by the 2008 crisis are based in the same cautious wait-and-see attitude. In both cases, though, a process of adaption took place. In India’s case, the most striking feature is the way that India’s role in both the G20 and the BRICS framework looked back to the priorities of the past: a privileging of the UN and a developmental model that emphasised solidarity between India and the Global South. Although there was also a high degree of status-seeking, in the case of the G20, this approach was not connected to any tangible form of output. Indeed, India’s major initiative was quickly transferred over to the BRICS in an autonomous institutional context.

The degree of learning in Indian diplomacy is thus quite limited. What India attempted to do through the BRICS was in large measure what it had aimed to do through other initiatives it had pushed in earlier eras. In tactical terms, India did not attempt to lever specific advantages out of the G20, whether to navigate a sustained initiative or to host the summit process.
In no way did India appear to see itself as an authentic owner of the G20. On the contrary, its identity as a club participant remained with the UN and other formal institutions. India continued to contest the legitimacy of the informal summit process. The G20 could be used instrumentally, but India showed no willingness to grant this forum validation beyond its purpose as a crisis-committee in the context of the financial crisis.

This ongoing wariness about the G20 came to the fore at the 2015 Antalya G20. Whereas some other countries, including the host nation Turkey, wanted to expand the agenda to encompass issues beyond the ambit of a crisis committee, India held steadfastly in its resistance. Not only did Prime Minister Narendra Modi maintain that the G20 should be subordinated to the UN on the sustainable development agenda, but his 10-point plan to combat terrorism privileged the UN as well (Arjun Singh 2015).

Furthermore, India’s tighter engagement with the BRICS looks more tactical than strategic. Like the G20, albeit in an amplified fashion, the BRICS association has allowed India to hedge its options. To begin with, the BRICS reinforced India’s credentials as a country that straddled the line between the developing world and the image of ascendancy. The push for the South–South development bank had an instrumental purpose for India in that it provided financial capital for critical domestic infrastructure development. Efficiency as a “new” insider, however, was subordinated to equality as a longstanding “outsider” in that India could re-claim its historical role as a champion of alternative forms and means of development, professing a strong embedded commitment to sovereign national development, even while seeking integration into the world economic system, with a shared vision of inclusive global growth combined with development policy autonomy and rapid socio-economic transformation of individual nations. Concomitantly, it was much easier to act as a voice of grievance and to claim to represent the interests of all developing countries.

By contrast, China’s adaptive process was far more dramatic. At one level, China was far more sensitive to the risks attached to G20 membership in terms of policy commitments. As such, its defensive approach shifted quickly from a “going along” style to one that pushed back at specific initiatives in which there was perceived damage to its material interests.
At another level, China was more comfortable in adapting to the ascendancy of informality. In part this was because China, as a UNSC permanent (P5) member, had already achieved a level at the apex of global authority that India lacked. In terms of application, moreover, China had a tactical acumen that was less evident in India’s case. Not only was China quick to react to pressures in the context of the G20, it was tenacious in countering India’s lead in terms of the BRICS bank.

If clear in its assessment that its national interests were not at stake, China did not break from the dominant club culture of BRICS (with a focus on the issues of agreement among it membership). This approach demonstrates the Chinese leadership’s entrepreneurial capacity, which was backed by a scale of resources that was absent in Indian case. In overall terms, this willingness to make concessions even when it has the power advantage indicates that a two-way socialisation process has occurred: with the emerging power’s integration into the existing norm and then its influence in reshaping the norms from within, even though diverse preferences and limitations exist among the emerging powers themselves (Pu 2012).

China’s shift toward an assertive leadership role, by taking on the hosting role for the 2016 Hangzhou G20, marks an even greater move away from its pattern of past passive engagement. This leadership role came to the fore with China’s emphasis on a number of themes. One is the focus on inclusive growth with the aim of reducing inequalities and imbalances in global development. Another is the monitoring and facilitation of the UN’s 2030 Agenda for Sustainable Development to foster synergy in global development cooperation. Still another is the championing of joint actions to support infrastructure investments (G20 Anti-Corruption Action Plan 2015).

As the agenda of the BRICS forum expands more explicitly into the security arena, the differences between China and India could become more explicitly apparent. What binds China and India together is a common defence of the principle of sovereignty. However, some nuances have appeared in their responses to Western intervention. Unlike China, for example, India did not take an oppositional stance on Syria, voting in favour of a 2012 resolution condemning the actions of the Syrian government. And, while India in a similar fashion to China, did not immediately criticise Russia for it
actions in either the Crimea or Ukraine, it did so in a slow and defensive manner (Madan 2014).

Whereas India has been cautious in animating any shift in BRICS towards a security orientation (although the temptation exists for India to insert the issue of its relationship with Pakistan into the BRICS forum), China has embraced some initiatives towards a non-traditional agenda beyond national financial security. A key component of this strategy is the linkage of the economic agenda driven via BRICS and the security agenda via the Shanghai Cooperation Organization (headquartered in Beijing). While the non-traditional security agenda has not been broad in the SCO, with issues such as labour and the environment left out, a concentrated focus has developed on regional terrorism and ethnic separation. The issue of energy security is also becoming central to the workings of the SCO. Indeed, one of the major incentives for India to become a part of the SCO is the attraction of gaining greater access to hydrocarbons in Central Asia.

When Prime Minister Narendra Modi declared in 2016 that he warmly welcomed the invitation of the SCO to become a full member on the basis that it enhanced connectivity, combated terror and created an environment for boosting trade by easing barriers, this move reinforced the impression that India was accepting China’s priorities. Furthermore, India was also involved in the joint BRICS-SCO-EEU (Eurasian Economic Union) summit, following the July 2015 BRICS summit in the Russian city of Ufa, which also consolidated China’s ascendency by acting as a platform to promote China’s Silk Road Economic Belt. India’s privileged position at this meeting appeared to be reduced by the fact that Pakistan was also accepted as a member of the SCO (The Indian Express 2015). While Pakistan’s entry into the SCO was strongly supported by China, this move complicated India’s position not only in terms of status competition, but also on instrumental issues pertaining to the non-traditional security agenda. On energy security, for instance, India has been wary of plans for a pipeline through Pakistan, preferring to support plans for alternative pipeline routes, including those that run through China.

Conclusion

The central purpose of this article is to provide value added in terms of an assessment of the approaches used by China and India towards
the G20 and BRICS. Although there are some common characteristics, it is the differences in approach between the two countries that jump out. India remains in reactive mode, with a considerable focus on a traditional agenda focusing on status enhancement via reform in both the UNSC and IFIs. By contrast, China has the advantage of being able to take an adaptive and nuanced approach that has morphed over time.

The concentration on reform of formal institutions has distracted India from going beyond a technical orientation on both the G20 and the BRICS. To be sure, this has not prevented India from pushing forward with initiatives that meshed with this functional orientation, most notably the creation of the New Development Bank. Nevertheless, instead of winning kudos for India, this push demonstrated the limits of India’s agentic capacity, in that China was able to wrestle the leadership of the NDB away from India.

Because of its wariness about stretching the ambit of the G20, and due to its inability to put a distinctive stamp on the BRICS, India has found its position compromised. In terms of hosting the G20, India has fallen behind China. Moreover, in the BRICS arena, India has found itself having to react as China has pushed ahead, linking BRICS to a wide array of other projects beyond the NDB, including the AIIB, the “One Belt, One Road” policy, the Shanghai Cooperation Organization, and the Forum on China–Africa Cooperation. In these efforts, China has demonstrated an agentic confidence, supported by a sheer scale of resources that have so far been unmatched by India and the other emerging powers.

References

Abdenur, Adriana Erthal (2014), China and the BRICS Development Bank: Legitimacy and Multilateralism in South-South Coopera-


ing-at-the-global-high-table/958280> (11 February 2014).

Arjun Singh, Veer (2015), *At G20, PM Proposes 10-Point Plan to Tackle Terrorism*, online <http://www.ndtv.com/cheat-sheet/g20-summit-


Golub, Philip (2013), From the New International Economic Order to the G20: How the “Global South” is Restructuring World Capitalism from Within, in: *Third World Quarterly*, 34, 6, 1000–1015.


Leksyutina, Yana (2014), Китай в БРИКС: мотивация участия (China in BRICS: The Motivation of Participation), in: Мировая экономика и международные отношения (World Economy and International Relations), 4, 81–89.


Madan, Tanvi (2014), India’s Reaction to the Situation in Ukraine: Looking Beyond a Phrase, online: <www.brookings.edu/blogs/up-front/posts/2014/03/14-ukraine-india-madan> (14 March 2014).


Nel, Philip, and Ian Taylor (2013), Bugger thy Neighbour? IBSA and South-South Solidarity, in: Third World Quarterly, 34, 6, 1091–1110.


Sikkink, Kathryn (2011), Beyond the Justice Cascade: How Agentic Constructivism Could Help Explain Change in International Politics, revised paper from a keynote address, Millennium Annual Conference, 22 October, Out of the Ivory Tower: Weaving the Theories and Practice of International Relations, London School of Economics, to be presented at the Princeton University IR Colloquium, 21 November.


The Indian Express (2015), SCO Decides to Include India as Full-time Member, online: <http://indianexpress.com/article/india/india-others/after-over-a-decade-sco-decides-to-include-india-as-full-time-member/> (11 July 2015).


Wang, Qishan (2009), G20 Must Look beyond the Needs of the Top 20, in: The Times, online: <http://timesonline.co.uk/tol/comment/columnists/guest_contribut> (29 March 2012).


Contents

Non-Traditional Security in Sino–Indian Relations

Introduction

Sebastian BIBA
New Concerns, More Cooperation? How Non-Traditional Security Issues Affect Sino–Indian Relations 3

Research Articles

Jingdong YUAN

Andrew F. COOPER and Asif B. FAROOQ
The Role of China and India in the G20 and BRICS: Commonalities or Competitive Behaviour? 73

Olivia GIPPNER
Antipiracy and Unusual Coalitions in the Indian Ocean Region: China’s Changing Role and Confidence Building with India 107

David SCOTT
Buddhism in Current China–India Diplomacy 139

Research Articles

Laura DOMBERNOWSKY
Training Responsible Journalists in China: Guiding Domestic Opinion, Gaining Foreign Audiences 175

Huisheng SHOU and Gary S. GREEN
The Political Economy of Organisational Violence in Chinese Industry 201
Contributors

Article Index 2016