



@ 2021 Department of Japanese Studies  
Vol.1, No.1, January 2022  
Inaugural Issue, pp. 191-204  
ISSN:2789-3014  
<http://doi.org/10.55156/jjsem.dec2110>

## US's Response to 'Rise of China': Assessing India and Japan's Security Challenges and Dilemmas

Shamshad A. Khan\*

**Abstract** – America's strategic response to the rise of China and the perceived security challenges it poses to the West-led liberal international order are mainly based on China's projected economic strength. A group of observers have taken China's economic strength into account to predict its future behaviour. It is true that China had surpassed Japan as the number two economy in the world in 2010 and will likely surpass the US in 2028, as a study conducted by the Centre for Economics and Business Research suggests. Undoubtedly, China will have sufficient capital to invest in its defence modernisation. However, while speculating on a perceived threat from the 'rise of China,' many other factors must also be included to reach a correct assessment. These include China's internal challenges, such as economic and demographic vulnerabilities, which have been largely ignored in the studies on the Chinese threat theory. More so, a counterbalancing strategy against China, which a group of experts suggests, will likely lead to an arms race between the US and China. The arms race will have a ripple effect on Asian security. The two regional powers and immediate neighbours of China - India and Japan - are also expected to augment their security by increasing their defence budgets, given the imminence of the arms race. However, while these reports suggest that New Delhi and Tokyo join the US efforts to counterbalance a rising China, India and China's economic conditions and domestic factors must also be considered, which have been mainly ignored by the security analysts while framing the Chinese threat theory. It must be assessed whether the two Asian democracies have the economic wherewithal to tackle China's strength. The paper, against this background, maps the US's strategic response to tackle China's rise and the challenges and dilemmas it poses to India and Japan

**Keywords** US-China rivalry · Indo-Pacific · Quad · Rise of China · India-Japan Relations · Global Order · Liberal International Order ·

---

\* Assistant Professor of International Relations, Department of Humanities and Social Sciences, BITS Pilani, Dubai Campus, UAE. Visiting Associate Fellow, Institute of Chinese Studies, New Delhi. Views are personal. E-mail: [shamshad@dubai.bits-pilani.ac.in](mailto:shamshad@dubai.bits-pilani.ac.in)

## **1. Introduction**

As China's 1978 economic reforms started bearing results and pushed the country on the path of economic ascendancy, the rise of China gained traction in strategic circles. Observers, however, remain divided over whether Beijing will pose a new security threat to the US-led world order or continue to live within the existing world order, an order that has helped it prosper. The scholars belonging to the Realist school of thought believe that a rising China would pose a military threat to the US and its interests. They suggest Washington prepare for the worst-case scenario and adopt a counterbalancing strategy by ramping up an alliance and forging security ties. However, the scholars representing the Liberalist school of thought suggest that China is unlikely to challenge the world order from which it has benefited, and thus "containment" of China will be counterproductive.

China's GDP has increased manifold after the 1978 economic reforms initiated by the Deng Xiaoping regime and carried over by the successive regimes. After surpassing Japan in 2010 as the number two global economy, China is at the cusp of overtaking the US in terms of nominal GDP. The Centre for Economics and Business Research (CEBR) has forecasted that China will overtake the US by 2028, five years earlier than expected (Elliott 2020). Undoubtedly, the growing economic size of the Chinese economy has given Beijing political clout, which its leadership is leveraging to achieve its national interests. As China closes the gap with the US economically and militarily, various experts speculate that China will overtake the US-led liberal world order. It will pose new challenges and threats to liberal democracies worldwide. As a result, democracies, including the Asian democracies, are gearing up to meet the perceived threat emanating from the rise of China. This paper examines the "Rise of China" phenomenon by looking into external and internal factors against this context. For clarity, the paper has been divided into various sections. After the brief introduction, the paper examines the divergent thinking within the US strategic circles on the rise of China. Then the paper examines how the ongoing debate on the rise of China has influenced the US's policy response vis-a-vis a rising China. Next, the paper critically examines the inconsistencies in Western responses to the rise of China. Finally, it assesses the security challenges and dilemmas the two Asian countries - Japan and India - face when balancing China.

## **2. Rise of China: Mapping the divergent US strategic thinking**

The American strategic thinking over the rise of China remains divided into "engagement" and "containment" camps. While the liberalists suggest the US administration engage China, the realists have suggested adopting a "counterbalance" strategy. The realist examines the history, starting from the

Peloponnesian War to World War II, and based on their reading of history, suggest maintaining the balance of power to avert an imminent war between the existing power and the emerging power. Taking cues from history, Graham Allison (2015) predicted that both China and the US might enter into a situation that Athens and Sparta had faced in the past. This situation, Allison terms as the Thucydides Trap. A war between the two powers will have a catastrophic impact on people beyond China and the US as well, points Allison. On a similar line, John Mearsheimer (2015) speculates that "if China continues its impressive economic growth over the next few decades, the US and China are likely to engage in an intense security competition with considerable potential of war." In an interview with the *Asahi Shimbun* (Minemura 2020), Mearsheimer speculates a "serious possibility" of using nuclear weapons during the US-China war. In brief, realist scholars predict that the world will witness "tension, distrust and conflict"- the typical features of a power transition. In their prediction, there is a message to the existing power US- to maintain a balance of power unilaterally or collectively through forging a partnership with like-minded countries.

However, a group of liberal scholars argue that China will not unshackle the existing global order, which has helped it prosper. Instead, Beijing will use the existing international order to enhance its economic interests further. Joseph S. Nye (2017) differs from his realist counterparts. Nye asserts that "contrary to the current conventional wisdom, China is not about to replace the United States as the world's dominant country." He is of the view that "...even if China does surpass the United States in total economic size in some decades from now, economic might is just part of the geopolitical equation.... Although Chinese capabilities have been increasing in recent years, serious observers think that China will not be able to exclude the United States from the Western Pacific much less exercise global military hegemony." Similarly, G. John Ikenberry (2008) argues that the rise of China will not turn into a hegemonic transition. Beijing is likely to join the liberal rule-based order. He opines that "the rise of China does not have to trigger a wrenching hegemonic transition." It can be very different from those of the past emerging powers as "China faces an international order that is fundamentally different from those that past rising states confronted." Ikenberry asserts that the current order is "hard to overrun and easy to join."

### **3. US's response to a rising China**

With the two alternatives available with the US, between "containment" as suggested by the Realists and "engagement" as suggested by the Liberalists, its leadership chose the propositions offered by the liberals. Liberalists strongly believe that counterbalancing China would be counterproductive. The US administration decided to engage China, as is evident from the policy decisions

the US took vis-à-vis China starting from Bill Clinton to the Barack Obama period. It includes George W. Bush Jr's administration, which was keen to accommodate China in the West-led international system in return for Beijing's support to the US's global war on terror. The US's China engagement strategy aimed to integrate China in the exiting global order and thereby make Beijing a responsible stakeholder in the international system. The US Deputy Secretary of State Robert Zoellick (2005) observes that after joining the WTO in 2001, China has "nearly completed the process of integrating itself into the established world order." He pointed out that Beijing has joined most of the significant institutions it once opposed. He argued that the US's policy vis-à-vis China "needed to be changed dramatically as a result." He urged China to become a "responsible stakeholder in the system." Fast forward to the Obama administration, his policy of "offshore balancing" and drawdown from Iraq and Afghanistan gained accolade domestically but created unease among its security allies, including Japan.

Meanwhile, the discussion over America's "relative decline" gained traction in the Japanese strategic circles and found expression in its defence planning. Tokyo added a "third pillar"- strengthening security partnership with ASEAN, India and Australia- as it believed that the "second pillar" of its security policy - the US-Japan security partnership - is weakening (Khan 2011). However, the US's announcement of a "pivot to Asia" policy emphasising deepening security, diplomatic and economic engagement with Indo-Pacific countries emboldened the confidence of the US allies in East Asia, especially Japan (Khan 2013). Tokyo joined the Trans-Pacific Partnership (TPP) despite resistance from its farming sector. The "Pivot to Asia", also termed as rebalance to Asia, hinted that the US is slowly departing from its liberal paradigm towards the balance of power paradigm as suggested by realist scholars. One of the ambitious plans by the Obama administration, as part of the rebalance-to-Asia policy, was the formalisation of TPP - a free trade agreement with negligible tariffs and a high standard of products - to ensure the free flow of goods and services among the partner countries. One of the unstated objectives of the TPP was to limit access to Chinese goods to these markets and thereby weaken China economically while keeping the economy of the partner countries buoyant.

However, much before the TPP could come into effect, change in the US administration led to its withdrawal from the free trade treaty. President Donald Trump approached the TPP from his "America first policy" perspective and withdrew from the preferential trade treaty. On the other hand, Trump followed the previous administrations rebalance to Asia policy with added vigour. In the new National Security Strategy adopted during the Trump administration in 2017, the US termed China a strategic Competitor who wants "to shape a world

antithetical to US values and interests.” It was followed by an Indo-Pacific strategy in 2019 which noted that “the Indo-Pacific region is confronted with a more confident and assertive China that is willing to accept friction in the pursuit of a more expansive set of political, economic, and security interests” (US Department of Defense, 2019).

A declassified document about the US's Indo-Pacific strategy, released weeks before the transition of government in the US, hints that the Indo-Pacific strategy is aimed at maintaining America's “Strategic primacy in the Indo-Pacific region and promote a liberal economic order while preventing China from establishing a new illiberal sphere of influence...” (US's Indo-Pacific Strategy, 2021). The document noted that “shifting regional power balances will continue to drive security competition across the Indo-Pacific, leading to increased defence investment by many countries in the region, including India and Japan” (US's Indo-Pacific Strategy, 2021). The declassified document unveiled that the US would align its Indo-Pacific Strategy with that of India, Japan and Australia and will “aim to create a quadrilateral security framework with India, Japan, Australia, and the United States as the principal hubs” (US's Indo-Pacific Strategy, 2021). Additionally, the US also declassified a statement known as Robert O' Brien statement in which it noted that “Beijing is increasingly pressuring Indo-Pacific nations to subordinate their freedom and sovereignty to a ‘common destiny’ envisioned by the Chinese Communist Party.” The O' Brien statement expressed commitment that America and its allies “will preserve and protect their sovereignty” (The White House, 2021a). The Biden administration expressed commitment to continue the policies agreed during the Republican administration to contain China.

The current US Indo-Pacific strategy enjoys bipartisan support in America and has deepened over the years. The Indo-Pacific policy has three precise dimensions: military, economic, and infrastructure. The Quad, revived in 2017, is anchored towards achieving military objectives. At the consultative level, it serves as a mechanism to discuss various security issues, and at the operational level, the navies of the four countries have revived the Malabar naval exercise. An apparent aim of the naval exercise is to keep the sea lanes of communication free and open so that the trade flow takes place without the interventions from both non-state and state actors.

Moreover, the Malabar exercise is likely to add a new dimension. As of 2020, the Malabar naval exercise took place in the Bay of Bengal and the Arabian Sea. Now, the Navies of Quad countries are planning to hold the exercise in the Western Pacific to strengthen its reach beyond the traditional theatre.

Another emerging strand of the Indo-Pacific is focused on geo-economic strategy. This strategy aims to counter China's growing economic clout in Asia and beyond and seeks China's economic isolation. It stems from the assumption that China has financially benefited from the post-war liberal economic order created by the West after joining the WTO in 2001 but has not democratised itself as per the western expectations. As the economic interdependence between the US and China has not yielded expected results, Washington and its Asian allies are mulling on various strategies, from easing their economic interdependence to "decoupling of China." The Japanese administration's policy to provide subsidies to its companies to move out its production bases from China to other countries, including ASEAN, India and Bangladesh, is aimed in that direction. In addition to this, India, Japan, and Australia have launched a new Supply Chain Resilience Initiative (SCRI) with an apparent American backing. The new supply chain initiative aims at easing their economic dependence on China, especially after the Covid-19 crisis. The efforts are also on not to let China dominate the telecommunication sector with its 5G technology. Most of these mechanisms and strategies are aimed at China's economic and technological isolation, the way the United Socialist Soviet Republic (USSR) was isolated from the West-led liberal order during the Cold War period, leading to its political demise.

Infrastructure is another area where the democracies try to match China's strength to strength, especially following China's Belt and Road Initiative, which has given Beijing enough political and diplomatic clout in the recipient countries. The democratic countries have various plans, including Japan's Partnership in Quality Infrastructure and India and Japan's bilateral cooperation in Asia Africa Growth Corridor. However, the infrastructure push in the Indo-Pacific region got a major push with the announcement of Build Back Better World (B3W) by the Joe Biden administration. It has been termed as "the bold new global infrastructure initiative." The US administration defines it as "a values-driven, high-standard, and transparent infrastructure partnership led by major democracies to help narrow the [US] Dollar 40+ trillion infrastructure need in the developing world, which has been exacerbated by the COVID-19 pandemic" (The White House, 2021 b). The B3W has been endorsed by the G-7 countries. It is being viewed as a "counter to China" (Meek, 2021) by a group of experts. Fine prints of the B3W and its implementation are yet to be unveiled. However, the commentators suggest that the US is keen to invest big in the Indo-Pacific region to overtake China's infrastructure plans with leading economies. All the three dimensions of the Indo-Pacific strategy mentioned above aim to achieve one objective: balancing China.

The Biden administration has added a new angle to the US's China containment policy by giving Quadrilateral Security Initiative a formal consultative structure and signing an AUKUS deal. The trilateral arrangement between America, the UK

and Australia is primarily aimed at helping Canberra acquire a fleet of nuclear-powered submarines, and however, it is also aimed at counterbalancing China. In an editorial, *The Japan Times* notes that “this is a big deal. The technology, which will allow those boats to go farther, faster and longer more stealthily, is one of the US's “crown jewels,” and has only been shared with the United Kingdom. The new submarines will now be able to patrol the South China Sea and as far north as Taiwan, which could shift the military calculus in the event of a contingency in either area” (The Japan Times 2021). Even though the AUKUS is yet to take a firm shape, the mechanism is seen as another grouping, and the Quad consists of the US, Australia, Japan, and India to tackle China. “The new agreement seeks to deter better, and if need be, defend against revisionist powers in this region. If that describes Chinese behaviour, then it is a target” (The Japan Times 2021), noted the Japan Times in its editorial.

In short, the analysis above suggests that the US has completely dumped its “engagement of China” strategy with that of “counterbalancing” China strategy. It has taken various economic and military measures to challenge China's growing preeminence, including forming a Quadrilateral Security Initiative and the AUKUS.

#### **4. US's policy response to the rise of China: A critical assessment**

Following the analysis of debates and responses over China's rise briefly captured above, the research paper focuses on the core questions as to whether these strategies and mechanisms will help challenge China's growing preeminence at the global level? Will the US-led global order end, and what should be the India-Japan strategy amid the rise of China and the changing regional and global order?

First, the analyses regarding China's rise and the threat it may pose is too focused on China's present economic strength. While it must be acknowledged that China will continue to maintain its number two global position in terms of nominal GDP and may register economic growth once it overcomes the aftereffects of the pandemic, at the same time, China's vulnerabilities and demographic issues must not be missed in strategic analysis when a case is built regarding the Chinese threat theory. Moreover, while China claims to have tackled the poverty issue, the experts do not subscribe to the claims. “China's unemployment and poverty are proportionately much lower than in other Third World countries like India, but they have not disappeared,” writes Prabhat Patnaik (2021). As the gap between rural and urban China widens, the government is making several course corrections “to ensure that popular anger against its economic policies does not reach a flashpoint” (Patnaik 2021). Apart from the rural and urban divide, many issues on its periphery, including Xinjiang, Hong Kong and Tibet (which is expected to come to the fore over Dalia Lama's succession), confront China.

These issues are not easy to tackle and will continue to keep the Chinese authority's focus inwards.

Ageing society is another internal challenge that China and other East Asian countries face. Beijing relaxed its one-child norm, but it has not helped it beyond a point. The Total Fertility Rate in China has gone down below replacement level. In an analysis, Tsuchiya Hideo (2020) highlights that China is greying much faster than expected. The "population bonus," meaning that the working-age population is still large enough to offset the economic impact of the declining birth rate, will soon become "population onus," as the people born soon after the Great Leap Forward will retire, and this will have "serious economic repercussion as fewer workers will have to provide for the growing non-productive section of society", notes the analysis. China has been able to drive its economic growth because of its working-age population, but "China's TFR remains at the current level of 1.6, the country's population will start to shrink before the end of the 2020s."

Given the falling birth rate, China will not sustain its economic growth even though it may briefly surpass the US GDP. Various domestic issues, including the unrest in Xinjiang and Hong Kong, will seek China's focus inwards rather than outwards. Against this context, it is safe to say that China will not challenge the existing order even though it will have more economic strength than the US in terms of nominal GDP.

Third, the strategy of the US (and, to some extent, its allies) remains inconsistent and incoherent when dealing with China. The rise of China, especially its economic growth, which gave it the political clout, was imminent. The US started a policy of engagement and accommodation, and some observers suggested that the process would lead to democratisation and end the Communist regime. Now when the strategy has not yielded the expected result, the US has turned to the balancing China strategy, and efforts are being made to isolate it. They are looking at history to avoid the "Thucydides Trap" to balance China without paying sufficient attention to whether a balancing strategy will work against a country that is very much economically integrated with the West.

Moreover, the balancing strategy has been identified very late and remains incoherent. It must be noted that Winston Churchill, the former British Prime Minister identified the challenge of a communist threat much before it appeared in his "sinews of peace" speech of 1946. He observed that the United Soviet Socialist Republic (USSR) may pose challenges to the "freedom and democracy" of the Christian civilisation and suggested to "face them squarely while time remains (Churchill 1946)." When it comes to China, the liberal world's strategy remains inconsistent. After trial and error, a new balancing strategy dubbed Indo-Pacific has been unveiled, and an Anglosphere alliance AUKUS has been mooted. It has been adopted too late and is still evolving.



Further, it can be noted that the previous effort by the liberal world to meet a perceived threat of the USSR was based on liberal "values." The liberal world gave up its economic interests and remained firm on safeguarding the liberal values. However, the West has deep economic interests with that of China in the economically interdependent world. They are finding it difficult to forgo their economic interests, and this is evident when we give a cursory look at various nations or groupings' Indo-Pacific policies. During the Cold War, the US allies steadfastly adhered to their policies, especially when safeguarding sensitive technology and gave preference to values over their business interests. However, in the economically interdependent world, when dealing with China, the national and economic interests of the Western countries prevail over the values that bind them.

Moreover, reluctance is also visible in democratic countries' formulations of countervailing China strategies. Indo-Pacific and Quad can be cited as examples. In the case of the Indo-Pacific, while the US focus is more on the military aspects, Japan's focus is on the economic aspects. The AUKUS is another example where the policy has caused more wedge than unity in the liberal world. The AUKUS has created a huge diplomatic rift in the US-France partnership. France termed AUKUS as "a stab in the back" by Washington as it lost a multibillion-dollar submarine contract with Australia (Tanaka 2021).

Differences of opinion can also be seen on other fronts. Let us take AIIB, for example. The US did not join the AIIB and urged its allies to do so, and only Japan agreed. Two major US allies joined, including the UK and South Korea (Khan: ICWA). India remains the second-largest contributor and a founder member of China-led AIIB headquartered in Beijing. Of late, Japan has also done some cost-benefit analysis, and Japan-led ADB co-founded some AIIB projects. When it came to China led OBOR/BRI, India ignored the concerns. Other democracies, as well as US allies, are keen to invest and participate in the BRI.

When we analyse America's and its allies' strategies directed towards Beijing, it seems it is geared towards achieving economic isolation of China. The economic isolation strategy takes a cue from the experience of the USSR's economic isolation from the world economy undertaken by the West during the Cold War period, which in the long run led to the USSR's economic and political meltdown. However, it is very unrealistic to speculate that China could be isolated with the strategy of forced economic isolation. China seems more competent than the erstwhile Soviet Union. While the USSR chose to remain isolated, creating a parallel block, China's strategy is to remain integrated with the existing institutions and mechanisms wherever possible while making its institutions assert their influence. For example, when China created the AIIB, which was viewed as a challenger to existing financial ADB and World Bank, it tried to dispel the concerns by arguing that AIIB is complementary to the existing

institution rather than a competitor. China has not abandoned the ADB, where it is the third-largest funder. At the same time, it has not lowered its stake in the World Bank. It has joined the Regional and Economic Comprehensive Partnership (RCEP) and has applied for joining the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP). Notably, India and the US have kept themselves out of the RCEP and CPTPP. China remains much more integrated economically than the USSR. Therefore, economic isolation that worked in the case of the Soviet Union may not work against an economically integrated China.

### **5. Rise of China: Assessing challenges and dilemma of Japan and India**

Finally, this section examines the implications, challenges and dilemmas of the two regional powers and the US's strategic partners - India and Japan. How the US's deterrence strategy will impact India and Japan has not been given specific attention while analysing the US's containment strategy against China. As the US and its western allies, the UK and Australia, up against China, Beijing further strengthens its military capabilities. China's recent test of hypersonic missiles is one such example. The strategic circles and media speculate a stand-off between the US and China over Taiwan. A hard balancing strategy by the US and its western allies against China is likely to lead an arms race between China and the US. An imminent arm race between the US and China will also ripple effect on China's two neighbours- India and Japan. The calls that Japan and India- two regional players in Asia must shoulder the responsibility in safeguarding the regional order will grow further from the strategic communities and allies.

The two Asian democracies, however, have a more significant task to fulfil at the domestic level and are also undergoing economic stress. For example, while Japan faces security challenges from China and North Korea are on the external front, on the domestic front, it has been facing the problem of an ageing society and a slowing economy. Death has surpassed birth, increasing stress on the working-age population and adversely impacting economic growth. The successive governments have undertaken various financial contributions to encourage families to produce children. The previous government led by Yoshihide Suga had extended fertility treatment under insurance coverage. Stimulus and other support packages during pandemics have increased the country's fiscal debt. A *Japan Times* analysis noted that "public debt stood at ¥1.12 quadrillion - 198% of GDP - at the end of fiscal 2019 and will exceed ¥1.2 quadrillion" during the coming fiscal year (Nagata 2020). The newly elected Prime Minister Fumio Kishida has acknowledged that the gap between rich and poor has increased. He has announced a policy dubbed "New Capitalism" to bridge that gap between the rich and the poor. He has also called for a "revival of the Reiwa middle class" with more support in education and housing costs for families with children (Masato

2021). Implementing these policies will undoubtedly mean more focus on the domestic front and poses a dilemma on managing the external threats.

Moreover, an ageing population has pushed Japan's social security budget too high. At the same time, Japan has increased the defence budget for the tenth consecutive year to meet the challenges posed to its security. The call is growing within Japan to increase the defence budget from 1% to 2%. However, the call to increase the cap on the defence budget faces resistance from Japan's pacifist constituencies, especially those who have witnessed war and want the state to avoid war at any cost and the ruling Liberal Democratic Party's coalition ally-the New Komeito (Ota, 2021). Meeting the domestic and external challenges simultaneously amid an economic slowdown and budgetary constraints poses the most significant dilemma and challenge for the Japanese establishment.

As regards India, it has a demographic dividend, but at the same time, unemployment has hit a high level, and the corona crisis has further aggravated the situation. Like Japan, India also faces security challenges from China. India's response to hedge rising China militarily has resulted in a soaring defence budget amid an economic slowdown. Moreover, youths in India have high hopes with the government to address the growing unemployment issue. Despite being the six<sup>th</sup>-largest economy in terms of nominal GDP, India has a deplorable medical infrastructure. COVID-19 crisis has exposed this weakness further. The demand to upgrade health infrastructure has grown from the domestic constituencies.

On the other hand, India ranks very low on various development indicators, and its performance is not commensurate with its global GDP status. For example, India ranks 131 at the UN Development Programme's Human Development Index (The Economic Times, 2020) out of 189 countries surveyed by the international agency. India's performance is abysmal on the Global Hunger Index (GHI). In 2021, it ranked 101 out of 116 countries. Even though the Indian government has questioned the survey's methodology, its challenges to bridge the growing gap between the rich and the poor cannot be swept under the carpet. While an authoritarian regime like China and North Korea can ignore the internal problems and diversify their resources for external defence, democracies like India as well as Japan cannot ignore these issues for too long. Thus, amid the rise of China, both Japan and India face almost similar problems. Both have gigantic tasks to balance their domestic and external challenges. The leadership of both countries face a dilemma whether to prioritise domestic challenges or external ones.

## **6. Conclusion**

In conclusion, it can be observed that while the rise of China is a reality, it is yet to pose a significant threat to the existing liberal order. Following Chinese aircraft's incursion into Taiwan's airspace in October 2021, it was speculated that

a stand-off between the US and China is highly likely. The recent incidents and statements by Taiwan, the US, and China must be seen as sabre-rattling. A war between China and the US will only occur if Taipei declares Taiwan's statehood. While Taiwan awaits China's aggression to declare its 'statehood', China awaits Taiwan's declaration of statehood to use it as a pretext to seize territory, which it claims as its renegade part (Khan 2021). Given Taiwanese leaderships' stance on maintaining the status quo over the issue of Taiwan's statehood, war does not seem in the offing, and thus China challenging the existing regional order is primarily based on speculations. However, given China's ambiguous strategic behaviour, both Japan and India must continue their bilateral and multilateral consultation, including through a quadrilateral security dialogue, to tackle challenges posed by China. They have already adopted a soft-balancing approach by entering into the consultative mechanism with other powers, including the US and Australia. China has started taking it seriously, which has dismissed the Quadrilateral Security Initiative as a "foam" in the ocean that will dissipate. Calls from China are growing for a "coopetition (cooperation + competition) rather than competition" (Fu Ying, 2020) between Washington and Beijing. Fu Ying, a former Vice Foreign Minister of China in an opinion piece published in *TheNew York Times*, observes that "both governments have heavy domestic agendas to attend to, and so even if competition between China and the United States is unavoidable, it needs to be managed well, cooperatively." If the purpose of the Quad is to challenge China to moderate its aggressive behaviour, the olive branch offered by China must be taken seriously.

The financial conditions and domestic challenges do not allow India and China to undertake a hard balancing approach vis-à-vis China. Therefore, they must tread cautiously and prudently when it comes to tackling China's perceived threat. The Quad mechanism at present must be kept at the consultative level. An institutionalisation would further embolden the hands of the authoritative Chinese regime, which will drive home a threat theory to consolidate its power further. At the same time, a hard balancing approach towards China through Quad will cause stress on the security budgets of both countries. The consultative mechanism of Quad can be elevated to a higher level as a last resort. A conflict must be avoided to the extent possible as it has chances to escalate into a nuclear war, which would be catastrophic for the region.

---

**Acknowledgements-** The author thanks two anonymous reviewers for providing helpful comments on earlier drafts of the paper.

---

**References**

- Allison, G. (2015, September 24). The Thucydides Trap: Are the US and China Headed for War? *The Atlantic*, <https://www.theatlantic.com/international/archive/2015/09/united-states-china-war-thucydides-trap/406756/>
- Churchill, W. (1946, March 5). The Sinews of Peace. Speech delivered at Westminster College, Missouri, available online at <https://winstonchurchill.org/resources/speeches/1946-1963-elder-statesman/120-the-sinews-of-peace/>
- Economic Times. (2020, December 17), India ranks 131 on Human Development Index.
- Elliott, L. (2020, December 26). China to overtake US as world's biggest economy by 2028, report predicts. *The Guardian*. <https://www.theguardian.com/world/2020/dec/26/china-to-overtake-us-as-worlds-biggest-economy-by-2028-report-predicts>
- Fu Ying. (2020, November 24). Cooperative Competition Is Possible Between China and the U.S. *New York Times*.
- Hideo, T. (2020, November 24). East Asia's Looming Demographic Crisis. Nippon.com available online at <https://www.nippon.com/en/in-depth/d00639/>
- Horimoto, T (2020). Indo-Pacific Order and Japan-India Relations in the Midst of COVID-19. *Journal of Asian Economic Integration*, Volume 2, Issue 2.
- Ikenberry, J. (2008). The Rise of China and the Future of the West: Can the Liberal System Survive? *Foreign Affairs*, Volume 87, No.1. p. 24.
- Japan's National Security Strategy (2013), Ministry of Defense, Government of Japan, Tokyo, available at <https://www.cas.go.jp/jp/siryoyou/131217anzenhoshou/nss-e.pdf>
- Khan, Shamshad (2021), Is a wrathful China driving Japan to unshackle its armed forces? *India Narrative*, available at <https://www.indianarrative.com/opinion-news/is-a-wrathful-china-driving-japan-to-unshackle-its-armed-forces-104957.html>
- Khan, Shamshad A. (2015, June 17). Japan's Dilemma and AIIB. *Indian Council of World Affairs* available at [https://www.icwa.in/show\\_content.php?lang=1&level=3&ls\\_id=655&lid=597](https://www.icwa.in/show_content.php?lang=1&level=3&ls_id=655&lid=597)
- Khan, Shamshad A. (2014), Japan's Response to US's Pivot to Asia. In (Eds.) SD. Muni and Vivek Chadha, *Asian Strategic Review 2014: US Pivot and Asian Security*. Pentagon Press, New Delhi, pp. 175-188.
- Khan, Shamshad. (2011), Japan's New Defence Guidelines: An Analysis. *Strategic Analysis*, Vol. 35, No. 3, pp 391-395.
- Masato, S. (2021, October 25). Kishida's 'new capitalism raises economic reform setback fears. *Nikkei Asia*.
- McDonald, H. (2021, August 4). Quad partners should temper Indian Expectations. *Nikkei Asia*.

- Mearsheimer, J. (2015, November 18), The Rise of China will not be peaceful at all. *The Australian*. <https://www.mearsheimer.com/wp-content/uploads/2019/06/The-Australian-November-18-2005.pdf>
- Meek, W.G. (2021). The Build Back Better World Partnership Could Finally Break the Belt and Road. *Foreign Policy*.
- Minemura, K. (2020, August 26). Interview/ John Mearsheimer: U.S.-China rift runs real risk of escalating into a nuclear war. *The Asahi Shimbun*, link available at <https://www.strategicstudyindia.com/2020/08/interview-john-mearsheimer-us-china.html?m=1>
- Nagata, K. (2020, December 29). After massive COVID-19 spending, how large is Japan's debt? *The Japan Times*.
- Nye, J Jr. (2017). Will the Liberal Order Survive? The History of an Idea. *Foreign Affairs*, Vol. 96, No. 1. p.5.
- Ota, N. (2020, October 16). Komeito clashes with LDP over plan to double defense spending. *The Asahi Shimbun*.
- Patnaik, P (2021, July 7). How the fear of imperial encirclement has driven the Chinese Communist Party? *Indian Express*.
- Tanaka, M. (2021, September 26). 'Quad' and AUKUS put Biden's Indo-Pacific shift under microscope. *The Japan Times*.
- The Japan Times*, (Editorial). (2021, September 24). AUKUS shakes up the region, but that is a good thing.
- The White House (2021a, January 05) A Free and Open Indo-Pacific (declassified), can be accessed at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2021/01/OBrien-Expanded-Statement.pdf>
- The White House, (2021 b, June 12) "FACT SHEET: President Biden and G7 Leaders Launch Build Back Better World (B3W) Partnership," June 12, 2021. <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/12/fact-sheet-president-biden-and-g7-leaders-launch-build-back-better-world-b3w-partnership/>
- US Department of Defense. (2019). Indo-Pacific Strategy Report: Preparedness, Partnership, and Promoting a Networked Region. p.15.
- US's Indo-Pacific Strategic Framework. (2021) available online at <https://sgp.fas.org/news/2021/01/indopac-framework.pdf>
- US's Strategic Framework for the Indo-Pacific, available at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2021/01/IPS-Final-Declass.pdf>
- Zoellick, R. (2005), Whither China? From Membership to Responsibility. Available online at [https://www.ncuscr.org/sites/default/files/migration/Zoellick\\_remarks\\_notes06\\_winter\\_spring.pdf](https://www.ncuscr.org/sites/default/files/migration/Zoellick_remarks_notes06_winter_spring.pdf)