

GROWING HEFT

The Beijing summit demonstrated that the period of US primacy in setting the terms of the US-China bilateral relationship is over.

And the hardening of China's strategic confidence means that it has less incentive to offer India meaningful concessions on any outstanding issue. ASHOK K. KANTHA



Two events in the spring of 2026 have left a significant mark on the strategic landscape. The first was the Iran war: the US-Israeli military campaign that seriously damaged Iran's infrastructure led to the closure of the Strait of Hormuz and convulsed global energy markets.

The second was US President Donald Trump's state visit to Beijing in mid-May, the first by a US president in nine years, which produced the conceptual framework of "constructive strategic stability" and an atmospheric, if not yet structural, detente between the two great powers.

Taken together, these events raise a central question: how, and how far, is China expanding its strategic footprint, and what does this mean for India? China is executing a patient and sophisticated strategy. It is not keen on becoming a security guarantor, but it is deliberately building the structural conditions such as economic dependencies, technology linkages, diplomatic influence, and incremental security presence that will, over time, make US security dominance less exclusive and less consequential. The Iran war and the Beijing summit validated this strategy.

China's response to the Iran war was a study in deliberate calibration. It called for a ceasefire, invoked international law, supported Pakistan's mediatory role, and avoided military entanglement, while continuing to purchase Iranian oil and supply dual-use components through opaque supply chains.

The image projected was of a responsible, stability-seeking actor, which was measured while the US was impulsive. The strategic logic is rooted in a deeply held Chinese conviction that the US is a declining power that is weakening itself from within and being drained by foreign quagmires such as the Iran war.

A distracted US need not be directly chal-

► **US President** Donald Trump (right) participates in a friendship walk through the Zhongnanhai garden with his Chinese counterpart, Xi Jinping, in Beijing on May 15.

EVAN VUCCI/AP

lenged; it need only be outlasted. The war again bogs down US military and political bandwidth in West Asia, further postponing any meaningful pivot to the Indo-Pacific. It has also accelerated the global transition from petro-states to electro-states. China, which is dominant in renewable energy supply chains, benefits as the conflict makes fossil fuels riskier and demand for clean-energy alternatives surges.

In its mediatory role, China demonstrated both the reach and the limits of its influence. It nudged Iran towards a pause through back channels, with Pakistan as the visible broker, but was explicit about what it would not do, which was providing security guarantees or assuming the coercive responsibilities of enforcing ceasefires.

The preferred division of labour deliberately lets the US bear the costs and political exposure of crisis response, while China expands its economic and technological footprint across reconstruction, energy transition, and digital infrastructure.

POST-WAR RECONSTRUCTION will be a large market, and Chinese contractors are already positioned to capture a significant share, deepening structural influence through supply-chain linkages and maintenance contracts independent of any political configuration. China is not interested in displacing the US as the region's security anchor; the US playing that role works to its advantage. This is a central example of its patient power in practice.

China's campaign to script the architecture of great-power relations is a long one. In May 2012, the then Chinese President, Hu Jintao, urged the US to build a "new-type relationship between major countries".

Xi Jinping, the current President, revived and sharpened the idea in 2013, proposing to his US counterpart Barack Obama, during a meet at Sunnylands in the US, a "new model of major-country relations" built on "no conflict or confrontation, mutual respect, and win-win cooperation". Obama listened but refused to endorse it. Washington's position remained consistent for a decade as it read Beijing's language as a coded demand that the US acknowledge China's core interests and accept a tacit G2 arrangement.

The departure came at the Beijing summit in mid-May, when Xi again pressed the concept on Trump—this time as a "constructive China-US relationship of strategic stability"—and Trump, un-

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The NSS of 2017 reinforced the concept of a free and open Indo-Pacific, aiming to counter Chinese maritime dominance by deepening alliances and partnerships with countries such as Japan, Australia, and India.

like his predecessors, accepted the framing.

The White House statement formally adopted the phrase, marking the first time a US administration had validated a Chinese-designed conceptual framework for the bilateral relationship. For China it is a long-sought symbolic breakthrough, but for the rest of Asia, it is a reminder that US positions once treated as stable can shift abruptly.

Chinese Foreign Minister Wang Yi's post-summit briefing called it the strategic guidance for "the next three years and beyond", designed to outlast Trump's term and raise the political cost of any post-Trump reversal. One American scholar aptly described such Chinese relational frameworks as "geopolitical quicksand: once you step in you cannot get out".

Within days, Wang Yi was invoking it to demand that the US "abide by the one-China principle", and China's Foreign Office was citing Trump's Taiwan remarks as evidence of the framework already taking hold. What Beijing seeks is a rebalanced bilateral relationship that buys what the leading Chinese international-relations scholar Wu Xinbo has described as "time and space for our development", a guard rail arrangement designed to stabilise the external environment while China completes its technological indigenisation and military modernisation.

The transformation in the US-China relationship is more fundamental than the theatre of the summit suggests, and it runs in both directions. The contrast between the two Trump National Security Strategy (NSS) documents captures the structural shift on the US side.

The NSS of 2017 described China explicitly as a "revisionist power" and built bipartisan consensus around great-power competition as the organising principle of US foreign policy.

The NSS of December 2025 contains no reference to great-power competition, characterises China not as a systemic rival but as a transactional partner, and replaces the strategic threat framing with an economic objective: a "mutually advantageous economic relationship with Beijing".

This goes beyond tactical recalibration and represents a fundamental revision of what the US considers to be its competition with China. The bipartisan consensus on China, which held from Obama through Joe Biden, has fractured because the Trump administration has repositi-



tioned China as an economic competitor to be managed transactionally rather than a systemic rival to be contained ideologically.

The hawks remain and the technology controls have not been dismantled, but the logic has moved from rolling back Chinese influence to stabilising the relationship on terms that allow the US to attend to domestic priorities. Beijing finds this posture distinctly more manageable than anything Washington had offered since 2017.

IN THE CHINESE side, the transformation is equally consequential, though its logic is the inverse. China's internal threat assessment of the US has not softened. China's first-ever National Security White Paper, released in May 2025, reiterated that "Western anti-China forces have tried every means to contain, suppress, and encircle China, implement Westernization and differentiation strategies against China, and carry out infiltration and sabotage activities".

China's 15th Five-Year Plan (2026-2030) places far greater emphasis on resilience and self-reliance than its recent predecessors. China is watching the Iran war with cold strategic calculation. The display of US carrier strike group capability confirmed US military reach as a threat-assessment data point rather than a reassurance. "Constructive strategic stability" is not Beijing's vision of a settled peace: it is its preferred operational environment for the continuing competition. China has gained relative to the US and grown more confident despite its economic headwinds, and is ready for long-term competition.

What has changed is the structure of the relationship's stability. For most of the past decade, the US retained the initiative on the terms of competition, but this is no longer the case. China's deployment of rare earth export controls in 2025, forcing the US to stand down from tariff

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Defence Minister Rajnath Singh during an interaction with his Chinese counterpart Dong Jun, during the Shanghai Cooperation Organisation Defence Ministers' Meeting in Bishkek, Kyrgyzstan, on April 28. ANI

escalation, demonstrated that China now possesses coercive economic instruments capable of constraining American behaviour.

In a warning delivered at the Beijing summit, Xi told Trump that if the Taiwan question is handled poorly, the two countries risk "clashes and even conflicts". Trump did not push back; he acknowledged that he had made "no commitment either way" on the pending \$14 billion Taiwan arms package, called it "a very good negotiating chip", and casually waved aside decades of the US "Six Assurances" to Taiwan.

Chinese establishment analysts capture the new reality with the concept of "strategic stalemate": stability now rests on parity, resilience, and mutual constraint, rather than the trust factor. Both the upbeat Chinese reading of structural change and the more sober Western argument for a "cold peace" of managed coexistence share a common conclusion: the period of US primacy in setting the terms of the bilateral relationship is over.

China is the patient actor in the current global transition. It has weathered the most aggressive American economic pressure in modern history, preserved its technological indigenisation programme and industrial policy space, secured from the US a relational framework it has sought for over a decade, and positioned itself as the responsible counterpart to American volatility in West Asia.

At the same time, it maintains structural leverage through rare earth and supply chain dominance as an insurance against any future reversal. The world is navigating between two

“predatory superpowers”: one extractive and unreliable, the other dependency-creating and strategically disciplined. Neither is providing the global public goods that the international order requires. The result is an uncertain interregnum of unknown duration that favours the patient actor.

FOR INDIA, THE SIGNIFICANCE of what has happened in the spring of 2026 lies less in any specific summit outcome and more in what it reveals about the world India must now navigate.

Three structural changes stand out. The first is the erosion of American strategic predictability as a fixed point for India’s external balancing. The US, which has formally adopted China’s preferred conceptual framework for the bilateral relationship, has doubtful strategic reliability for India. The utility of external balancing of China through the US has diminished; India must internalise that this is a structural feature of the landscape, not a temporary disruption.

The second is the hardening of China’s strategic confidence and its implications for India’s bilateral relationship. A China that assesses that its patient strategy is working, that coercive pressure on the US succeeded, and that the balance of power has shifted has less incentive to offer India meaningful concessions on any outstanding issue.

The post-Kazan and post-Tianjin stabilisation of India-China relations created some diplomatic room, but the logic of Chinese bargaining has shifted. A China that reads India’s interest in improved bilateral relations as the product of India’s declining salience in American strategic calculus will bargain harder, not softer, on issues such as the border, Pakistan, and technology access, and on the terms of economic engagement.

The third is the G2 overlay effect on the architecture of the international order. Coinciding with his summit meetings with Xi at Busan and Beijing, Trump publicly talked about a G2 arrangement with China. Beijing has explicitly rejected joint management of global hot spots, and a formal duopoly is unlikely to emerge at present. However, when the world’s two largest economies and military powers manage the terms of their competition through a bilaterally agreed conceptual framework and give the impression of tacitly coordinating responses, their com-

bined weight could create a pervasive influence that shapes decision-making and constricts the space available to third parties, including India.

Compounding these structural shifts, India faces acute material vulnerabilities that the events of 2025-26 have made more visible. Its solar supply chain is critically dependent on Chinese polysilicon and wafers; its rare earth processing capacity is negligible; and its electronics ecosystem is deeply integrated with Chinese supply chains.

These constitute policy constraints that Beijing understands and can exploit. The Sino-Pakistani military nexus—demonstrated operationally during Operation Sindoor in May 2025 when China provided BeiDou navigation; satellite intelligence, surveillance, and reconnaissance; and battlefield advisory inputs to Pakistani forces—has made the two-front security challenge a lived operational reality. A country cannot be strategically autonomous in domains where it is structurally dependent.

The appropriate Indian response requires a clear-eyed and quiet strategy on several fronts, such as dual and differentiated derisking vis-à-vis China and the US, which means more structural reduction of dependencies in the case of the former and avoiding creating new ones with the latter. India also needs to make sustained investment in military capability, technological prowess, and asymmetric deterrence and fashion a coherent bilateral agenda with China that seeks a more equitable equilibrium for the long term rather than the appearance of progress through yielding to propositions like “early harvest” in boundary negotiations. Also, India must make consistent investment in the diplomatic architecture of a genuinely multipolar order across South-East Asia, the Gulf, Europe, Africa, and its own neighbourhood.

India operates in this environment as a country of scale, ambition, and civilisational confidence but with a capability gap relative to China that remains very wide. Faced with these challenges, it cannot afford strategic drift or reliance on the strategic crutch of the US at a moment when the other actor is winning on points. ■

China’s strategic logic is rooted in a deeply-held conviction that the US is a declining power weakening itself from within and being drained by foreign quagmires such as the Iran war.

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