

This India-China tactical rapprochement is both familiar and unprecedented

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Recent weeks have seen increasing signs of growing convergence and a deepening thaw in India-China relations. This has occurred despite China's support for Pakistan during Op Sindoor, the initiation of construction on the controversial Yarlung Zangbo dam, as well as an intensification of economic coercion through new regulations on exports, including [critical minerals](#), [agricultural inputs](#), [high-speed railways](#), and [electronics](#). Hence, the deepening thaw—despite China's intensified coercive approach—appears somewhat contradictory, or at least a puzzle.

Signs of convergence include an [amiable visit](#) by External Affairs Minister S. Jaishankar to China for the SCO Foreign Ministers meet, India's seeming willingness to [consider](#) the reviving of the Russia-India-China (RIC) mechanism, a government think tank (Niti Aayog) suggesting that Chinese companies could be allowed to acquire up to a 24% stake in

Indian firms without prior approval, the resumption of tourism visas and direct flights, and [optimistic statements](#) relating to a practical roadmap to make progress towards resolving the boundary dispute from bilateral meets such as the WMCC in July this year as well as Defense Minister Rajnath Singh's visit to China in June.

Meanwhile, this drip-feed rapprochement is occurring in the backdrop of increasing volley of disagreements between India and its closest strategic partner – the U.S. Delhi and Washington are in the midst of a significant recalibration of ties and featuring strong (as well as emotive) disagreements over trade, diplomacy (ceasefire claims), secondary sanctions on Russian energy purchases, and arms purchases.

Episodic warmth: But what's new?

India's episodic tactical pivots towards better ties with China to enhance its bargaining position vis-à-vis the U.S. are not new or unfamiliar. It represents a core feature of Indian multi-alignment (strategic autonomy), whereby India relies on its 'power to switch sides' to extract more beneficial approaches from both adversaries and like-minded partners. Arguably, a similar approach was at work last year when India and China reached a significant patrolling agreement at the LAC, which in turn helped signal to the U.S. that Delhi is 'not geopolitically cornered' and 'has options'.

However, the ongoing tactical pivot does have some new features that are worth noting:

Moment of acute instability in India-U.S. ties

India-U.S. ties are indeed undergoing unprecedented churn, marked by a leverage-based approach by Washington. The U.S. pressure on India to open its key and sensitive sectors to U.S. imports, as well as adopt extensive changes to existing

non-tariff barriers, is a new and uncomfortable development. President Trump's ceaseless and frequent references to the use of leverages to enforce a ceasefire on the 10th of May continues to irritate Delhi; while delays and snags related to the supply of GE jet engines has led multiple news reports to suggest that India is or should look at alternatives – ranging from France, to Japan as well as Russia. While initially [over-optimistic about a trade agreement](#) (including the strategic implications of the same), Delhi now appears pessimistic and anxious. President Trump's references to the 'Indonesia way' as a [model](#) for the deal with India have set off alarm bells in some sections of industry and among experts. Delhi had hoped, since February this year, that providing Trump with a favorable (but still reasonable) trade deal would guarantee the restoration of warmth in India-U.S. ties. However, recent trends (including the threat of Russia-related sanctions as well as perceived U.S.-Pakistan ties) are souring such hopes. Finally, earlier bouts of India-China flirtations were significantly constrained by the structural realities of strategic convergence between India and the U.S. and divergence between China and India. This structural fact, although still formidable, has weakened over the last year or two, and Delhi remains in a state of uncertainty (understandably) about Trump's China policy.

China is poised to reap strategic dividends

India's strategic vulnerability to China at the present moment is unprecedented as well (arguably since 1962). The vulnerability is strikingly multifaceted and leaves India with very little choice (at least in the short term) other than diplomacy, patience, and attempts to generate goodwill in Beijing. China's support for Pakistan and the potential sale of advanced fighter jets represent a strong pressure point. The above-mentioned dam construction represents yet another vulnerability, with Arunachal Pradesh CM [describing](#) it as a 'ticking time bomb'.

However, the most acute and immediate vulnerability pertains to China's emerging system of economic coercion. Current opinion is not entirely stable regarding China's motivations. They range from thwarting India's rise to securing China's own strategic sectors from diffusion and potential loss of advantage. In reality, Chinese motivation is likely to be a mix and also consists of diplomatic objectives (bargaining and leverage). More economically minded officials and analysts view such measures as 'retaliation' for India's own economically discriminatory policies aimed at China since 2020 (Press Note 3) and suggest that China is merely 'hitting back' to encourage Delhi to ease restrictions on Chinese companies and investments. Regardless of exact intent, however, what is alarming is the newfound comfort Beijing has found in resorting to such economic arm-twisting. This is entirely new and lacks an established template in terms of cognition and response.

Could this tactical pivot lead to outcomes that are strategic?

There is a long history of India seeking tactical improvement in ties with Beijing from time to time, based on the immediate bilateral and geopolitical context. Hence, such efforts are usually met with both scepticism (regarding sustainability) as well as strategic wariness (towards outcomes). In other words, concerns range from the inherent futility of such efforts as well as the dangers that may emanate from 'trusting' China again.

Even in the present melee, it is hard to decode which aspects of the slow-moving convergence are symbolic, tactical, and purely bilateral, and which aspects are strategic, material, and geopolitical. A certain restoration in normal ties can be seen as inevitable and mutually beneficial. However, the danger lies in India's potential acquiescence to a structural overhaul of economic ties with China, which would leave the latter in an even stronger position to apply economic pressure

on India in the future for strategic objectives. India is caught in an unenviable dilemma, where the short-term pain of non-cooperation with China could be acute, but the relief of that pain through wider entry for Chinese companies could lead to long-term structural vulnerabilities.

Nowhere is this more evident than in the example of greater Chinese [penetration](#) (through its companies) in the Indian agricultural and horticultural sectors. The dislocations in the Indian automobile sector due to China's export restrictions are already well-reported and discussed. Recently, Bajaj Auto warned that August (2025) may be 'zero month' for the company owing to production-halts resulting from Chinese export restrictions. Given the increasing involvement of Indian automobile companies in defence production, China's new condition of non-dual-use certification could have serious strategic implications for the future as well.

Despite Delhi's structural concerns related to greater economic exchange with China, there are many immediate reasons/triggers why Delhi could still be tempted. These pertain to a worrying trend in terms of declining FDI, hopes for greater inclusion in global supply chains via China linkages, and, most importantly, hopes of persuading Beijing to reverse its economic coercive approach towards India.

Hence, tactical initiatives could end up taking a life of their own, especially given China's ability to exploit India's short-term vulnerabilities to achieve greater stabilization of its long-term goals. India's patrolling agreement in October last year serves as a key example of the same. India had then hoped for a policy based on greater 'mutual understanding' in exchange for Delhi's willingness to overlook Chinese actions at the LAC since 2020. Instead, the last year has seen even greater Chinese coercion and intransigence driven by [assessments](#) of India's weakened geopolitical position and national power.

Whereas both India and China have a strong a priori reason to 'come closer' owing to Trump's 'disruption' and 'unilateralism', it is China that is in the right position to exploit the 'Trump disruption' to meet its strategic objectives vis-à-vis India while also further weakening the U.S.-India strategic partnership.