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'A DECADE OF CHANGING WORLD ORDER AND INDIA'

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US President Trump's policies in the second term have accelerated changes in the world order, which has been in a state of flux for over a decade. Trump's prioritizing economic gain through escalated, and often illegal, trade tariffs has upended relations with a number of countries. Relations forged with allies, partners and friends over 250 years have been seriously damaged undermining US global influence. US relations with India have been dented. It has, importantly, damaged US credibility as a dependable nation.

2. Anticipating a changed world order, the former British Prime Minister Tony Blair made a rather prescient remark at a Labour Party convention in October 2011. He said "The starving, the wretched, the dispossessed, the ignorant, those living in want and squalor from the deserts of Northern Africa to the slums of Gaza, to the mountain ranges of Afghanistan: they too are our cause. This is the moment to seize. The kaleidoscope has been shaken. The pieces are in flux. Soon they will settle again. Before they do, let us reorder this world around us." The remark not only reveals the lingering imperialist mindset, but gives an insight into the thinking of the major powers who are reluctant to yield power and influence to the emerging new global power centres. In this backdrop the US-UK-Australia alliance, or AUKUS, can be seen as a pre-emptive attempt to not only ensure Western – in reality Anglo-Saxon -- military power in Asia but also that they benefit from Asia's economic growth.

3. Trump's actions have further impacted the ability of the US to unilaterally intervene in different parts of the world at the same time during crises, a capability it lost some years ago. European countries are now re-evaluating relations with the US following their assessment that it is not a dependable or reliable partner. They assess that Trump's departure will not make much difference. While they hope that relations improve and endure over the longer term, they have begun building new relationships, diversifying trade arrangements and building independent defence capabilities. Similarly, Japan, the Philippines and Vietnam -- all US allies in Asia -- have decided it is imperative to build relationships with countries in the region as they can no longer depend on the US to restrain China. There is debate in Australia too, though the agreement on AUKUS points to a long term commitment to the Anglo-Saxon relationship which holds the promise of benefits accruing from a fast growing East. However, uncertain of US dependability each of these countries is exploring new security arrangements with countries in the region. These changes are accompanied by the shift of economic power to the East and the rapid rise of new power centres emerging in Asia. This recalibration of relations considers the probability that the change will entail a clash between the existing superpower US and the rising challenger China.

4. With Donald Trump becoming President of the United States, he has joined two other assertive nationalist leaders, namely Russia's Vladimir Putin and China's Xi Jinping, on the global high table each with the agenda of making his country great again. Meanwhile, following the Trump-Xi Jinping Summit in Beijing this May, indications are that the two leaders, after a brief test of each other's resilience and strength, now appear to be moving towards a compromise which could mellow fierce competition. But as Beijing is only too aware, that will probably hold only till Trump is US President. Xi Jinping and the Chinese Communist Party (CCP) are hoping that is time enough for China to complete its rise and become the world's mightiest power by 2049, and fulfil their promise to the Chinese people.

5. The shape of the future world order will depend a lot on Trump's desire and willingness to ensure that the United States remains the pre-eminent global power. This implies that Trump will have to repair ties with partners. Chinese President Xi Jinping and Russian President Vladimir Putin have already jointly declared their intention to change the existing world order, ostensibly to make it more fair and inclusive. It would be a mistake to underestimate the close ties between Xi Jinping and Putin. The deep partnership in economy, energy, trade and military supplies are complemented, importantly, by a shared ideology. Xi Jinping and Putin are both creatures of their respective Communist Parties, their thinking has been moulded by their Party, they are both committed to their ideologies, and they share similar global ambitions. This is reinforced by their shared strong suspicion and dislike of the US and West, which they assess exercise hegemony over the international world and trade order. They also see the US as intent on weakening them through 'colour revolutions' and by encroaching on their periphery. China's relationship with Russia is at the highest level and the only one categorised as "Comprehensive strategic partnership coordination relations". The joint statement issued after the Xi-Putin Summit in Beijing on February 4, 2022, reiterated that there are "no limits" to China-Russia friendship.

6. Meanwhile, Xi Jinping first announced China's ambition to overtake the US as the world's super power by 2049 -- the hundredth anniversary of the founding of the People's Republic of China-- at the 19th Party Congress in 2017 and repeated it more recently in his speech at the 105th anniversary of the CCP in Beijing this July! China has been energetically forging relationships with a number of countries. Relations with Russia are being further strengthened with cooperation in building offensive capabilities in space as revealed in June 2026 by the joint investigation conducted by Der Spiegel, the Insider and Le Monde. Guarding China's eastern flank, Xi Jinping has taken steps recently to reinvigorate ties with North Korea starting with the invitation to Kim Jung Un to attend the Grand Parade in Beijing in September 2025 and paying a state visit to North Korea in June 2026. Within a month thereafter Politburo Standing Committee member and CPPCC Chairman Wang Huning led a high level delegation to North Korea in July for talks with the North Korean leadership. Beijing also views the Shanghai Cooperation Organisation (SCO) and BRICS as organisations within its influence. Between 2021 and 2023, Xi Jinping enunciated the four basic principles of his vision which he hopes will underpin the new global world order namely, the Global Development Initiative, Global Security Initiative, Global Civilization Initiative and the Global Governance Initiative in a "community of shared destiny" contributed by "Chinese wisdom"! Xi Jinping has begun cementing his vision of the new world order by getting his ideas endorsed in the joint statements signed with as many as possible visiting heads of government or during his visits abroad.

7. China, however, still faces obstacles in fulfilling its ambition. Reunification with Taiwan is a national priority and was again repeated in Xi Jinping's speech on July 1 at the 105th anniversary of the CCP. He also said it should be effected "in the new era" or, in other words, during his term in office, for however long that may be. US is the first major impediment and Beijing has redoubled efforts to try and get the US to accept China's position on Taiwan. It was discussed during the Xi-Trump Summit, and Trump's subsequent remarks suggest a dilution of US support but that could also be because Trump does not want to cause any turbulence in relations prior to Xi Jinping's scheduled visit to the US this September, as well as to retain ambiguity on the issue. China remains uncertain about Trump's position and this was reflected in Chinese Foreign Minister Wang Yi's telephone call to US Secretary of State Rubio on June 30 around the CCP's 105th founding anniversary when he said "The Taiwan question is a highly sensitive issue that may have far-reaching implications. It is hoped that the U.S. side will handle Taiwan-related affairs with the utmost prudence". Indicating Beijing's raised level of concern, former Chinese Ambassador to the U.S. Cui Tiankai and ex-deputy U.N. Representative Geng Shuang recently visited the US and met American experts to discern the White House's intentions toward China. Beijing simultaneously flexed its military muscle and on July 6 successfully launched a ballistic missile from a strategic submarine on a low trajectory to an area near Tuvalu in the Pacific Ocean.

8. The other potential problem for China centres on the reincarnation of the XIVth Dalai Lama. A candidate supported by Beijing is very unlikely to be endorsed by the Tibetan diaspora or the majority of Tibetans inside China. For Beijing this raises the prospect of strife not only in Tibet but also restiveness among the seven million Tibetans spread across China. The Tibetan diaspora is also mobilising to ensure a smooth transition to the reincarnation of the XIVth Dalai Lama and ensure the continuing support of the world community. Adding to Beijing's concern is the US Congress' call to the US Government to endorse only the reincarnation supported by the Central Tibet Administration (CTA) and the Tibetan people. These developments set the stage adding to big power competition!

9. As the US-China competition intensifies, the next decade will be difficult for India. India's, size, rapid rise and capabilities, have attracted attention. India has the world's largest untapped market which, among others, the US and China are both eager to exploit. At the same time both are trying to set limits on India's growth. The US has at least since February been apparently stringing India along and saying a US-India trade deal is set to be signed within days. But this is yet to materialise. Simultaneously US Deputy Secretary of State Christopher Landau publicly set limits for the Indo-US relationship when he stated at the Raisina Dialogue-2026 in New Delhi that Washington will not repeat the "mistakes it made with China by granting India economic advantages that could allow it to outcompete American commercial and domestic interests". Possibly coincidentally, but GE has supplied only 7 of the 113 contracted GE-F404 engines in a \$1 billion agreement with GE Aerospace and the major technology transfer and licensed manufacturing program for the GE-F414 engine, has hit significant hurdles due reportedly to a massive price escalation. The US is keen on accessing India's market and making India take a definitive position and side with the US. But these factors and the unilateral imposition of punitive tariffs on India accompanied by disparaging comments by Trump and members of his cabinet, have dissipated trust in the

relationship which was built over 25 years. Together with other factors it has, additionally, brought into sharper focus that the relationship has limits and the US is not dependable.

10. There are serious problems in India-China relations too, with at least since 2020, the relations being devoid of trust and marked by wariness. China, which like the US, would like to check India's rise, wants to access the huge India market especially since it is being progressively shut out of the wealthy American and EU markets. It also hopes that pressure restricting India's economic rise will bring India definitively over to its side.

11. Yet China is unwilling to supply needed equipment and materials like fertilisers, rare earths, tunnel boring machines and certain machinery equipment. Visas are being denied to Indian businesses especially those wanting to set up collaborations with Chinese businessmen. In international organisations too China raises issues concerning disputed areas and the unsettled India-China border. Also, far from moving towards dis-engagement, de-escalation or de-induction of troops in Ladakh, China continues to build military capabilities and defence infrastructure along the 4075-kms border with India and maintain steady pressure on India. The growing Sino-Pak military relationship and China's direct support to Pakistan during the military 'Operation Sindoor' are additional factors. These ensure that in event of any sudden downturn in relations China can easily escalate tensions and exert military pressure.

12. Finally and particularly in the coming years, India will have to factor-in Chinese President Xi Jinping's policy of keeping countries which are not friends under "sustained" pressure, and the recently unveiled concept of "baseline thinking", or what the former editor of the Study Times, Deng Yuwen has called "Reciprocal Retaliation", while dealing with China. In the context of China-US relations this essentially means "if China doesn't retaliate against sanctions, the other side will think sanctioning China has no cost, and that Beijing still fears conflict and paying a price. The next probing will hence be even more aggressive. The essence of baseline thinking is not to wait until the baseline is breached before reacting, but to make the other side feel the pain when they approach it". Recent visible examples are China's retaliation against the US and Japan. There are, however, limits to this hard-line approach. For instance, the greater the pressure in the maritime grey area, the more likely ASEAN countries are to accept a greater US security presence.

13. This is relevant in India-China relations too. In the context of India-China relations, the continued pressure on India notwithstanding the talks between Chinese Foreign Minister Wang Yi with India's Jaishankar and Ajit Doval clearly indicate a hardening of Beijing's position. China has maintained steady economic, diplomatic and military pressure on India. India needs to create counter-deterrence. Meanwhile, India will have to compel its industry to move towards total indigenisation and steadily and systematically identify areas where they can produce items on much larger scales to supply the world. Pharma, hygiene products etc are an example. At the same time substantive steps will need to reduce dependence and lower imports from China.

14. India and the newly emerged mid-level powers like Japan, Australia, Vietnam and Indonesia among others will face a demanding decade ahead. In addition to diversifying economic relationships, they will have to explore establishing regional economic

collaboration and security relationships as also secure their sea-lanes of communication, deter China and dextrously navigate this period of flux while continuing to demand a say in any new world order.

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