

Demographics Push China-India-Russia Triple Entente

Description

by [SPENGLER](#)

India's Modi, China's Xi and Russia's Putin, occupying center stage at the 2016 BRICS summit in Goa. Photo: Australian Institute of International Affairs

There are numerous examples of the bitterest of enemies turning into unlikely allies, precisely because they present too great a danger to each other.

Britain and Russia spent most of the 19th century contending in the "Great Game" over India. Britain built the navy with which Japan beat Russia in the 1905 war. But Britain and Russia fought on the same side in the world wars of the 20th century.

Russia and China fought one war in 1929 and an undeclared border war in 1969, but share common interests against the United States and its allies.

The next strategic alignment among past enemies may bring together two of today's strategic antagonists, namely India and China. At first glance, this seems improbable in the extreme. India and China have a longstanding border dispute that caused several hundred casualties in a clash in 1967 and claimed the lives of several dozen soldiers in another last year.

But there are three reasons why a diplomatic revolution may occur sometime in the next several years, and two of them are evident from the chart below.

India will have far more working-age people than China as the present century progresses. And the population of poorly educated people in Muslim Asia will equal India and China combined if present trends continue. That presents both an economic opportunity and an existential challenge. This is not a religious issue, but a matter of cultural and educational levels, as I will explain.

The rest of East Asia, meanwhile, will shrink to insignificance. Japan now has 50 million citizens aged 15 to 49 years, but will have only 20 million at the end of the century at current fertility rates. South Korea will have only 6.8 million people in that age group, compared with 25 million today. And Taiwan will fall from 12 million 15-to-49-year-olds today to only 3.8 million at the century's end.

India surprised the United States by refusing to abandon its long-term ally Russia over the Ukraine crisis. Far from supporting American sanctions, India has worked out local-currency swap and investment mechanisms to conduct trade with Russia in rubles and rupees and invest Russia's surplus proceeds in the Indian corporate bond market.

In retaliation, US Secretary of State Anthony Blinken waved the bloody shirt of human rights abuse at India, the world's largest democracy. "We regularly engage with our Indian partners on these shared values" of human rights, Blinken declared, "and, to that end, we are monitoring some recent concerning developments in India including a rise in human rights abuses by some government, police and prison officials."

India's Foreign Minister S Jaishankar drily responded that India also has a view about the human rights situation in the United States.

For the first time, India has found itself on the receiving end of the same sort of opprobrium that Washington has directed at China for its treatment of the Uighur minority, and against Russia for its actions in Chechnya and Ukraine. This exchange of unpleasanties stemmed from America's dudgeon over India's stance on Russian sanctions, to be sure, but it points to trends in the region that will push

Russia, China and India closer together.

America's humiliating abandonment of Afghanistan left a sink of instability in central Asia. The American invasion sought to destroy the Taliban but ended by restoring it to power, providing at least potentially a base for Islamist radicals in bordering countries including China and Pakistan, as well as Turkmenistan and Uzbekistan.

Russia's January intervention in Kazakhstan with the firm support of China highlighted the importance of Central Asian security to Moscow, as well as Beijing's concerns about Xinjiang province. In December 2021, [Beijing and New Delhi](#) held virtual summits with the foreign ministers of Central Asian nations during the same week.

If present fertility rates continue, the UN Population program calculates, China's population aged 15 to 49 years will fall by almost half during the present century, while India's will grow slightly.

Demographic projections, to be sure, are notoriously unstable, and the UN forecast at best provides a general indication of underlying trends. Nonetheless, the trends are so pronounced and divergent that they will figure into strategic planning by the countries concerned.

Aging populations save for their retirement, and countries with aging populations export capital to countries with younger populations.

China's main destination for savings is the United States, which for the past thirty years has absorbed most of the world's free savings, and accumulated a negative \$18 trillion net foreign investment position as a result. America can't absorb the bulk of the world's savings indefinitely.

China sought alternative outlets for its savings in the Belt and Road Initiative, with mixed results. It has invested heavily in countries with deficient governance and inadequate education.

India is the only country in the world with enough people and adequate governance to absorb China's savings. China, moreover, better than any other country does the sort of things India needs to be done – namely, digital and physical infrastructure.

In contrast to China, India's economic takeoff failed at launch. In 1990 the two countries had the same per capita GDP. Today China's per capita GDP is triple that of India.

India still relies on a railway system built by the British at the turn of the 20th century. Its rural population is 69% of the total, compared with China's 38%. It requires railroads, highways, ports, power stations and broadband, all of which China has learned to build more efficiently than anyone else in the world.

Despite the natural commonality of interests, trade between India and China remains minimal. China's

exports to India in March 2022 were at the same level as exports to Thailand, and half the level of those to Vietnam or South Korea. That is the cost of Sino-Indian animosity.

Countries that have made the great leap out of traditional society into modernity almost all have fertility rates at or below replacement. Muslim countries with high levels of literacy such as Turkey and Iran will see modest declines in prime working-age population, according to UN forecasts – while countries like Pakistan with low levels of literacy continue to have children at the high rates associated with traditional society.

The UN projections show that the largest growth in prime working-age Asian populations will come from Pakistan and Afghanistan, which exhibit the lowest literacy rates in Asia. Only 58% of adult men and 43% of women in Pakistan can read, according to government data, and the actual level probably is lower than the government reports.

Afghan data are unreliable, but the now-defunct government estimated that 55% of men and fewer than 30% of women could read.

India's literacy rate, by contrast, is 77% (72% for men and 65% for women), up from only 41% in 1981.

In the Muslim world, female literacy is the best predictor of fertility (the r^2 of regression of total fertility rate against the adult female literacy rate is about 72%, and is significant at the 99.9% confidence level). As noted, the issue is not Islam as a religion but, rather, literate modernity versus illiterate backwardness.

The position of the central Asian republics of the former Soviet Union is somewhere in between the pre-modern world of Pakistan and the relative modernity of Iran and Turkey, whose fertility rates have fallen to European levels.

For China, Russia and India, this represents a strategic challenge of the first order. All three countries have significant Muslim minorities, but each country's circumstances are different.

Muslims comprise only 23 to 40 million of the Chinese population, depending on which estimate one accepts, or less than 3% of the total. Nonetheless, the security threat that radicalized Uighur Muslims presented to the Chinese state was great enough to prompt Beijing to incarcerate more than a million Uighurs for what the government called re-education.

By contrast, some 30% of Russia's population will be Muslim by 2030, according to several estimates, although data are hard to verify. Russia's total fertility rate had risen to 1.8 children per female, close to replacement, in 2018, before falling back to about 1.5 after the Covid-19 epidemic, and it is hard to separate Muslim from non-Muslim fertility rates.

Muslims comprise about 15% of India's population. Their fertility rate has fallen from 4.4 children per female in 1992 to only 2.6 in 2015, still higher than the 2.1 fertility rate among Hindus, but converging. Twice in the past year, American foreign policy has pushed China, India and Russia into the same strategic corner: America's humiliating abandonment of Afghanistan, and America's failure to defuse the Ukraine crisis. The first left the three Asian powers with an intractable mess to clean up. The second persuaded New Delhi that the price of American friendship was to carry baggage that might explode in the not-too-distant future.

For two generations China has cultivated ties with Pakistan, including a \$62 billion, 15-year commitment to the China-Pakistan [Economic Corridor](#), a flagship investment of the Belt and Road Initiative. Pakistan's military flies Chinese J-10 and J-17 fighters as well as American F-16s. Chinese scientists aided Pakistan's nuclear weapons program, and [both countries](#) provided help to North Korea. But Pakistan may be more trouble than it's worth to Beijing. As [FM Shakil](#) reported in February, the then prime minister of Pakistan Imran Khan asked China for a \$9 billion bailout to prevent a default on loans that mature in June. Pakistan owes China \$18.4 billion, according to the International Monetary Fund.

Pakistan is intractably backward, politically erratic and unreliable as an economic partner. China may conclude that a diplomatic revolution is in order – a turn away from Pakistan toward its southern neighbor, which can boast of far greater human capital resources and a strong political system. Of Pakistan's 29 prime ministers since its founding in 1947, [not one](#) has completed a full term in office. India has its issues, but it has had an unbroken succession of democratically elected governments for 75 years.

At some point, China may decide to write off its investment in Pakistan and upgrade its relationship with India. And that would turn all strategic calculations inside-out.