

The G2 that isn't and India's strategic opportunity

Hindol Sengupta • May 29, 2026

America wants a duopoly that China no longer cares about — but where does India stand amid all this?



For India, the current situation creates a strategic space to pursue its own interests without being forced into a clear binary choice. (AI Image)

When China wanted it, the US didn't. Now the US, in all signals, seems to want it, but the Chinese are not interested anymore. And India knows and sees this.

We are talking about the G2 world or a world where power at the top has been shared by the two great powers, the US and China. Two recent diplomatic missions told us a lot about how this G2 vision is shifting. President Donald Trump visited Beijing for the first state visit by a US president to China since 2017, lavishing praise on Xi Jinping as a great leader and friend while calling the summit's garden the most beautiful roses ever. Meanwhile, Secretary of State Marco Rubio travelled to New Delhi to repair strained US-India relations, yielding no major deals and reinforcing that Washington's India partnership remains fragile amid trade and immigration disputes.

These parallel journeys tell a story: America's establishment, whether Trump's transactional nationalism or the foreign policy elite's multilateralism, has reconciled

itself to a G2 world – a condominium of US and Chinese power. But China, increasingly confident, no longer wants to accommodate that arrangement.

The arc of the Trump-Xi relationship over the past year has been revealing. When Trump returned to the White House in January 2025, he unleashed tariffs on virtually every country on earth, including China. Beijing retaliated with characteristic precision, weaponising its dominance over rare earth elements – those critical minerals embedded in everything from consumer electronics to fighter jets. The effect was swift and painful enough that the Trump administration sought an off-ramp with surprising speed. By October 2025, at the APEC summit in Busan, Trump and Xi were shaking hands again, with the US trimming tariffs and China agreeing to pause its rare earth export controls for a year. Washington also quietly dropped a regulation that would have tightened export controls on sanctioned entities' subsidiaries – a loophole Beijing had been exploiting to source advanced semiconductors.

By the time Trump arrived in Beijing this month, he had already made concessions before setting foot on Chinese soil: agreeing to sell Nvidia's most advanced AI chips to China and suspending a \$13 billion arms sale to Taiwan. These were not the actions of a man arriving to project strength. They were the actions of a man who had already decided that the deal mattered more than the principle. In exchange, the headline outcomes were modest: China pledged to buy at least \$17 billion in American agricultural goods annually through 2028, offered some commitments on rare earth access, and both sides agreed to another meeting in September.

On the issues that actually define great-power competition in the 21st century – artificial intelligence governance, cyber operations, technology export controls, and digital sovereignty – relatively little progress was made. These are not peripheral concerns. They are the questions of the coming decade. On all of them, China held its ground. And on Taiwan, Xi placed the island at the very centre of the relationship, warning the American president that it was a red line that, if mishandled, could destabilise everything. Trump, for his part, subsequently called arms sales to Taiwan a very good negotiating chip, a remark that set off alarm bells in Taipei and revealed how far Washington's implicit guarantees had drifted from their moorings. Trump also spoke about how far America was from Taiwan and how near China, another hint at how the president sees the future US role in the conflict.

The G2 worldview, in other words, is alive and well in Washington. What has changed is Beijing's appetite for it.

The American establishment's movement toward G2 thinking didn't begin with Trump. The concept was first proposed in 2005 by economist C Fred Bergsten to encourage the world's two largest economies to stabilise global markets. It gained momentum under Barack Obama, who initiated the Strategic and Economic Dialogue in 2009 to foster relations.

What Trump's visit reveals is that the American foreign policy consensus, whether Republican or Democratic, has now accepted that the world's two pre-eminent superpowers are jointly 'in charge' as it were. This represents a fundamental transformation in American policy.

Rubio's India visit represents the corollary to this G2 thinking: maintaining partnerships with other powers like India is secondary to managing the primary relationship with China. From the way this visit panned out, it might be clear that India recognises this and is reconciled to charting its own path while balancing relationships and building its domestic capabilities. This does not imply that India's ties with the US are diminishing; in fact, they will continue to only strengthen – but with a more honest understanding of geopolitical realities related to China.

For Beijing, Trump's use of the term 'G2' reflects an acknowledgment of its growing power, implying that both nations are equal players deserving shared authority in international matters. The question is: what does China want instead?

From China's perspective, the G2 framework raises concerns about becoming embroiled in conflicts, such as those in the Middle East, that have hindered the US. When Trump proposed Beijing participates in an international operation to reopen the Strait of Hormuz, China resisted.

China's official position is that it does not seek 'Great Power' rivalry or hegemony, but of course its Asian neighbours have a very different perspective on this. For now, at least, Beijing sees no benefit in getting dragged into conflicts which are weakening its primary competitor, the US.

The asymmetry is striking. America wants to share power with China, offloading responsibility for global governance while maintaining American primacy. China wants to see a multipolar world where no single power dominates, refusing to assume greater responsibility if it entails becoming a co-ruler of the US-led order.

China no longer sees itself as an emerging power-seeking accommodation within the existing order; it sees itself as an equal contestant for global leadership. But through this projection of power and confidence, it is also hiding its own vulnerabilities of a declining population, faltering economy and deep infighting within the power structures of the state.

China isn't interested in being America's junior partner in managing global affairs. It wants to reshape the international system itself. What complicates matters is that India has shown clearly that it is not interested in being a secondary role long-term in a US-China G2 system and it has clear ambitions of its own at the head of the table. This frustrates American G2 thinking, which assumes other powers will accommodate the duopoly.

America's acceptance of G2 arrangements suggests a crisis of confidence. The US can no longer afford to maintain global hegemony alone, yet it's unwilling to accept genuine multipolarity. China, meanwhile, wants to dismantle the American-led order entirely rather than share it.

The fundamental truth is this: America is reconciled to a G2 world because it has no other choice. China's rejection of G2 reflects its ambition to build something entirely different – a multipolar world order where Western dominance is a thing of the past. And yet, it too is unsure that it has the strength to dominate the way it wishes to.

For India, this creates strategic space to pursue its own interests without being forced into a clear binary choice.

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