

The New York Times



MUMBAI, India — Not every day do the world's two largest countries have a neighborly argument about democracy.

But such an argument erupted here last weekend when a senior Chinese official and the Indian prime minister took turns expounding on the relative merits of bread and liberty at a conference held by the New York-based Asia Society.

At a gala on Friday, Prime Minister Manmohan Singh quoted a speech by President George W. Bush that was easily construed as a swipe at China.

"Some people have said the 21st century will be the Asian century," Singh quoted Bush as saying. "I believe the 21st century will be freedom's century."

It was as close as Singh comes to ruffling feathers.

The next day, the Chinese commerce minister, Bo Xilai, came as close as senior Chinese figures do to fighting back, describing democracy as a "means," not an "end."

It was like a sneak preview of the complicated New World Order that Indians and Chinese like to say they are constructing, according to veteran Asia watchers like Richard Holbrooke, the former U.S. ambassador to the United Nations who entered the Foreign Service in Vietnam, and Kishore Mahbubani, a former Singaporean ambassador to the UN and a prominent writer on Asian affairs.

"I'm not of the view that we should classify countries as democratic countries and nondemocratic countries," Bo said through an interpreter, to vigorous applause from many in the Chinese delegation of 200 bureaucrats and businesspeople. "If you simply understand or interpret democracy as allowing people to go on protest in the streets, then I think it's not always necessarily a good thing."

Without citing India or the majority of Mumbai's population that lives

in slums or the shanties ringing the conference venue, Bo referred to "some developing countries" that cram their poor into "clusterings of shantytowns" where life is too bleak for freedom to mean anything.

"Some people in those places cannot even have a shower for years on end. And these people - most of them have no access to education," he said. "So how can you imagine that these people are in a position to talk about democracy when they are simply illiterate?"

More applause - though, again, not from the Indians, who know that their illiterate vote at higher rates than the well-off.

At the conference, the assembled international investors, diplomats and scholars seemed keen to thrust upon China and India a friendship that fits better in theory than in practice. Corporate bosses declared over and over that it was not "China or India," but "China and India."

Everyone seemed to agree that the two countries, working collectively, could eclipse American power. The century was declared to be theirs for the taking by speakers like Clyde Prestowitz Jr., president of the Economic Strategy Institute in Washington and the author of "Three Billion New Capitalists: The Great Shift of Wealth and Power to the East."

"Asians are going from being passengers on the bus of globalization to being co-drivers," said Mahbubani, the former Singaporean ambassador.

Over a cup of spiced tea, he spoke of the "tremors" already visible as the West, wary of ceding its influence, responds to the ascendancy of China and India, both at the height of "cultural confidence." He cited the American revulsion to the bid by China's Cnooc for the American oil giant Unocal, and the European fracas over Lakshmi Mittal's multibillion-dollar hostile takeover bid for the steel maker Arcelor.

"If Mittal's name were Jeffrey Roberts," the former diplomat said, "there would be no problem."

Holbrooke said the meetings offered a preview of what the world will look like

when Asia is stewarded by Asians. On one hand was the "the drama of the two largest countries having a public argument over democracy," he said. On the other was the new reality of Asian powerhouses relating directly to each other as both "competitors and collaborators" - convened, but no longer lectured to, by the United States.

The 200 Chinese functionaries and managers had come to learn about India. The conference provided them with simultaneous translation, and panelists kept imploring them to ask questions. Few did.

As they meandered about and picked warily at Indian food, the Chinese seemed underwhelmed about the whole India thing, as a handful of them revealed in interviews. Many of them see the United States as their rival, even as Indians fixate on a rivalry with China. The resulting mismatch creates much Chinese confusion about whether "India versus China" is even a real comparison, as was evident in a closed meeting between Chinese delegates and Asia Society members after the conference.

"Chinese coming here, including myself, think this is totally chaotic," Donald Tang, the chairman of Bear Stearns Asia, said at the meeting. "If you come to India and spend a couple days here, you realize, 'My God, the world is not flat.'"

After seeing Bo's speech, Tang said Chinese businessmen had whispered to him that India was in no position to preach.

"Indians love their democracy, but they don't have lots of freedom," he said in the closed meeting, quoting the Chinese reaction. "The millions of people who live in slums in Mumbai - they have democracy, but no freedom."

The most positive Chinese view about India seemed to be that it was increasingly emulating China.

Lui Ji, honorary president and former dean of the China-Europe International Business School in Shanghai and one of China's most influential and politically connected scholars, said Singh reminded him of Deng Xiaoping, the father of China's economic reforms. The professor said he was happy to learn that Singh is in his mid-70s, the stage of life at which Deng prodded his own country to embrace change.

And in a sign of changing times, the professor even hinted that China, though unwilling to take lessons on democracy from Washington, could learn a thing or two from India.

"They feel very proud of the country," he said of Indians. "They call it the largest democracy. We hope India can use good democratic practices to lead us by example."