



Hearing on “India, China, and the Balance of Power in the Indo-Pacific”

February 17, 2026

Opening Statement of Commissioner Jonathan Stivers

Thank you, Commissioner Brands. Welcome, and thank you to our witnesses for participating in today’s hearing.

India is a country with tremendous opportunity, poised for advancement that if realized will cement its place among the premier global powers. Already the world’s fastest growing major economy, Indian is a leader in certain services and pharmaceutical sectors and is making strides in various industrial and emerging technology fields. Now the world’s most populous country—a mantle it is likely to maintain in perpetuity—India is set to enjoy a “demographic dividend” in the decades ahead from its youth, especially relative to an aging China.

While there is good reason to believe that India’s moment has come, challenges persist both internally and externally that may hinder its continued growth, not least of which is its deeply intertwined yet imbalanced economic relationship with China. India’s large and growing bilateral trade deficit with China is a source of consternation for the country’s leaders as they seek to promote self-reliance initiatives. In particular, Indian manufacturers largely depend on Chinese suppliers for components and industrial inputs for their own export-oriented growth. Some of these dependencies have significant consequences for the United States as well—India is our top supplier of generic drugs, yet India relies extensively on China for active pharmaceutical ingredients and key starting materials. While these dependencies present risks and exposure to economic coercion, inexpensive inputs and regionally integrated supply networks have also greatly benefitted India and hastened the pace of its industrialization. New Delhi therefore faces a challenging balancing act vis-à-vis China, between economic security and industrial development.

India has also become an alternative destination for companies seeking to diversify and move parts of their operations out of China. Labor remains relatively inexpensive compared to other “China +1” destinations, and with a strong STEM pipeline India is a source of high-skilled workers. The country has a dynamic entrepreneurial environment, excelling at “software as a service” and touting over 100 tech startups valued above \$1 billion. Perhaps most importantly, India’s democratic system and adherence to rule of law create the underlying conditions for fair and transparent commerce.

Our witnesses today will examine India’s highly consequential and asymmetric economic relationship with China, the ramifications for the United States, and strategic opportunities for deeper economic cooperation between the U.S. and India. Beyond exploring the issues, this hearing will inform recommendations on pressing concerns for Congress, such as: how can the U.S. and India strengthen resilience of pharmaceutical and other supply chains, promote technology integration with better aligned export controls, and deepen mutually beneficial trade and investment ties. India’s continued industrial and tech development in the decades ahead will have outsized influence on the balance of power in the Indo-Pacific, and broad ranging consequences for the U.S.-China strategic competition.

I will now turn the floor over to my colleague and co-chair for this hearing, Commissioner Hal Brands, to introduce our witnesses.