CHINA FALLS SHORT AS A GLOBAL SOUTH "PUBLIC GOODS" PROVIDER

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In June 2026, China's State Council Information Office released the white paper "More Just and Equitable Global Governance: China's Principles, Proposals and Actions." Beneath the language of consultation and shared benefit, the white paper makes unusually direct claims: "China will always be a member of the Global South," and "in the Global South its roots will remain."

With this, Beijing again formalizes its long-implied bid to lead the developing world.

The bid answers a real grievance. Institutions built after 1945 underrepresent the countries that now drive global growth—the Global South plays an outsized role in the world economy in terms of purchasing-power and growth, yet it remains a junior partner in bodies like the IMF, World Bank, and UN Security Council (UNSC). China has not invented this demand for reform but is channeling it. The Global Governance Initiative (GGI) is one of Chinese leader Xi Jinping's "Global Initiatives," after those on development, security, and civilization—a sequenced architecture for an alternative order, now with its governance capstone in place.

The conventional anxiety in Western minds about China's rise is Thucydidean—that a rising power and the ruling power are fated for conflict. But this white paper requires a different lens. In economic historian Charles Kindleberger's account, the catastrophe of the 1930s owed less to any single aggressor than to a vacuum: Britain could no longer provide the public goods underwriting a stable global order, and the United States would not. Joseph Nye later distilled this into the "Kindleberger Trap"—that a rising China would be too weak or unwilling to contribute public goods commensurate with its power.

The white paper is China's answer to—and a clever inversion of—that charge. It catalogues how a "certain major power" has withdrawn from international bodies, defunded them, blocked UNSC resolutions and paralyzed the World Trade Organization's dispute settlement mechanisms. Against this backdrop, China presents itself as the provider stepping into the breach and bills the GGI itself as "another significant public good that China has contributed to the world." The trap, Beijing implies, has been sprung not by Chinese under-provision but American retreat—and China is filling the gap.

Substantively, China is the largest troop contributor to UN peacekeeping among the permanent members of the UNSC and the second-largest funder of its peacekeeping budget. Its clean energy exports have driven down the global costs of wind and solar power. Through an expanded BRICS, the New Development Bank (NDB)—$42.9 billion in approved loans across 139 projects by March 2026—and a Belt and Road network across more than 150 countries, it supplies development finance few others can match.

But the Kindleberger frame cuts both ways, and a genuine public good is non-excludable and non-rivalrous—its benefits cannot be withheld, and one country's use does not diminish another's. Much of what China supplies fails that test. Belt and Road infrastructure is rivalrous and loan-financed; it carries debt exposure and travels with a creditor's—China's—leverage. It binds the recipient to the provider. "Sovereignty" rhetoric runs into the same wall: the initiative's flagship corridor, for example, runs through territory claimed by India, which is why India remains the largest economy in the Global South to have stayed out of the BRI altogether. China may answer the Kindleberger trap in volume while reproducing hierarchy in kind—goods supplied, but with strings that recreate the very dependence the post-war order's "rise of the Global South" was meant to dissolve.

This is where the contest's second contender matters, and the white paper's silences are telling. For all its talk of a rising Global South, China's white paper names India exactly once—in passing, as a co-founder of the NDB. India is the one other power positioned to claim a leadership role in the developing world, though that claim is contested: As a G20 economy that spent a decade drawing closer to Washington—an alignment now strained by tariffs—India has not been an obvious champion for the poorest countries. Still, since 2023 it has convened successive Voice of Global South Summits, and its G20 presidency delivered what years of Chinese advocacy had not: a seat for the African Union on the G20 table. Now, China's white paper credits Beijing with "taking the lead" in supporting that outcome.

India's primary export to the Global South is not *physical* infrastructure but digital public infrastructure—the open, low-cost identity and payment systems behind Aadhaar and Unified Payments Interface (UPI), now offered to other developing economies through a consensus framework and repository advanced under India's G20 presidency. In Kindleberger's terms, these come closer to true public goods: cheaper to adopt than a port or power plant and run by the adopting state rather than the provider. The model is not without its critics—Aadhaar has drawn sustained scrutiny over privacy and exclusion at home, and its export footprint remains modest next to the Belt and Road's.

But where China's digital offer is organized around data sovereignty and state control, codified in this white paper's calls for a Beijing-hosted data organization and a Chinese-led AI governance framework, India's creates fewer dependencies on the provider. It is a different proposition, even if a smaller one.

Both bids have moved from paper to practice. At the World AI Conference in Shanghai July 17-20, with Xi Jinping in attendance, the white paper's call became an institution: The agreement establishing the World Artificial Intelligence Cooperation Organization was signed. This became the first intergovernmental body on AI, headquartered in Shanghai and aimed squarely at the Global South's "AI divide" (Xi also pitched it as an alternative to the US' Pax Silica, even if he avoided naming Washington). New Delhi's counter dates to February 2026, when it hosted the first AI Impact Summit in the Global South. The rule-writing is already underway, although Beijing seems to be holding a faster pen.

That points to a difference that is reputational rather than economic. China has settled most of its land borders—the conspicuous exceptions are India and Bhutan, which remain hot issues even with the current thaw in bilateral ties. The India-China frontier saw deadly clashes as recently as 2020, and China has reportedly built settlements inside disputed Bhutanese territory. Add the maritime disputes in the South China Sea, and Beijing arrives in parts of the developing world carrying a record of unresolved sovereignty quarrels, alongside a debt-trap reputation—deserved or not—that it has struggled to shed. India's frictions, by contrast, lie largely within South Asia, where smaller neighbors at times bristle at New Delhi's weight, complicating any clean-hands narrative close to home. But across Africa, Latin America, and much of Southeast Asia, India is less reputationally encumbered than Beijing. In a contest run partly on trust, that is an asset—though not, on its own, a decisive one.

So what might India do? Make digital public infrastructure the centerpiece of its Global South offer rather than a sidenote, while the developing world's digital guardrails are still being chosen. Give the Voice of Global South Summits real institutional weight—a secretariat, a financing arm, a delivery record that outlasts the summits' communiques. Use the seats it already holds—starting with the one at the head of the table. India chairs BRICS this year and hosts the bloc's summit in New Delhi in September, a chairship Beijing has publicly backed. Add its membership in the Shanghai Cooperation Organization and the G20, plus its status as a leading shareholder in the Asian Infrastructure Investment Bank and NDB, and India can shape reform from within rather than ceding the drafting completely to Beijing. Whether it will affect sustainable change is uncertain; its financing is a fraction of China's, its initiatives are often longer on symbolism than machinery, and its instinct for strategic distance has left it on the sidelines of the debates it could shape.

The New Delhi summit in September is the nearest test.

For Washington, the temptation will be to read all this as drift. A BRICS Summit which brings Vladimir Putin and quite possibly Xi Jinping to New Delhi in September looks like a partner hedging, weeks after the US levied a fresh 10% duty on Indian goods on July 24. The Kindleberger lens points the other way. The Beijing white paper's catalogue of American retreat stings because much of it is accurate. Washington, at present, does not seem to be competing in this provision contest at all. That makes India's offer the only one on the table that is compatible with the liberal world order the US once built but no longer wishes to pay for. The US can back India's offer at low cost. Both New Delhi and Washington describe signing the trade deal as 1% short of done. What the US can do is turn June's Pax Silica assurance—that Indian access to American AI would not be switched off—into a standard policy, so the developing world's digital rails run on open standards backed by American computing capacity rather than on a Shanghai-headquartered alternative that now exists.

None of this is a forecast of Indian success. China provisions at a scale India cannot approach and may yet convert that durable volume into durable leadership. But the white paper frames the contest more narrowly than it is. The question for the Global South is not only who supplies the most, but who supplies goods that do not come with a lien attached. On terms, rather than volume, the answer is still open, and that is the contest India can actually compete in—and the one Washington should want it to win.

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