

## India-China Ties: Between Personalities and Principles

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### **Summary**

Chinese President Xi Jinping's visit to India is a new opportunity for infusing momentum in the bilateral relations. The relationship in the near term will depend heavily upon how the Chinese President and the Indian Prime Minister Narendra Modi accommodate each other and address key security and strategic issues. Bilateral economic dealings would be one aspect of the talks; but neither country can afford to bypass the sensitive security and strategic issues that dog their efforts to bring peace and stability. To succeed in this endeavour, the personality facets of the two leaders need to come into play and lay the ground for the next course of India-China relations.

## The Significance of Xi's Visit

President Xi Jinping will visit India from 17-19 September in the course of travelling to Dushanbe in Tajikistan to attend the 14th Meeting of the Council of Heads of Shanghai Cooperation Organization (SCO) and also visiting Maldives and Sri Lanka. This is Xi's first tour to India as head of state and comes at a time when India's recently elected Prime Minister Narendra Modi has just concluded his official visit to Japan and is set to travel to the US. The two leaders had met exclusively in Fortaleza on the sidelines of the recent BRICS summit in Brazil. The trajectory of India-China relations is keenly watched worldwide because, "when India and China shake hands, the world takes notice".<sup>1</sup>

Conventionally speaking, "Where the Chinese President goes, so goes the Chinese world".<sup>2</sup> Under Xi's leadership, China looms larger than ever today as an economic and political powerhouse. Therefore, Xi's visit to India is expected to create space for serious engagement. Prime Minister Modi enjoys an impressive political clout and in this context one needs to inquire whether the India-China discourse will be more "personality" driven in the coming times or whether rhetoric and "political" feelings will continue to largely shape their bilateral ties.

India-China relations are central to Asia as well as global power politics. While the political and economic engagements between the two Asian neighbours are on the upswing, there is also a concurrent drive of both the powers in regional and global power structures and its decision-making processes.

## Revisiting the Official Course

Political leaders' acumen matters greatly in India-China relations. Leadership shapes the political course in populist societies. Post-1947, the political trajectory of India and China was driven by strong personalities like Mao Zedong and Jawaharlal Nehru. The Panchsheel too was largely a culmination of the strong personal interaction between Premier Zhou Enlai and Nehru.<sup>3</sup> In the light of history, it would appear that given their strong leadership

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<sup>1</sup> Former Prime Minister Manmohan Singh said this in his joint briefing with Chinese Premier Li Keqiang to the media during his trip to Beijing in October 2013. See "China, India sign deal aimed at soothing border tension", *Live Mint*, October 23, 2013, at <http://www.livemint.com/Politics/bCTYRPPp7Vyy1zNs77W4Vkm/China-India-sign-deal-aimed-at-soothing-border-tension.html> (accessed September 10, 2014).

<sup>2</sup> "How the world's most powerful leader thinks", *Huntington Post*, January 21, 2014, at [http://www.huffingtonpost.com/2014/01/21/xi-jinping-davos\\_n\\_4639929.html](http://www.huffingtonpost.com/2014/01/21/xi-jinping-davos_n_4639929.html) (accessed September 10, 2014).

<sup>3</sup> "Revitalising Panchsheel", Text based on the former President K.R. Narayanan's keynote address at a seminar organized in June 2004 in Beijing to mark the 50th anniversary of Panchsheel, Ministry of External Affairs: Government of India, July 20, 2004, at <http://www.mea.gov.in/articles-in-indian-media.htm?dtl/15408/Revitalising+Panchsheel> (accessed September 7, 2014).

position in their respective countries, Xi and Modi chemistry is likely to influence India-China politics in the near future.

Officially, India-China relations are known as 'Strategic and Cooperative Partnership for Peace and Prosperity'. On April 11, 2005, the Joint Statement of the two countries defined the Partnership as a concept based on "the principles of Panchsheel", "mutual respect", "equality" and aimed to carry forward an "all-round and comprehensive development" with regard to bilateral relations. Marking the 55th anniversary of India-China diplomatic ties, the Joint Statement further noted that both countries must show "readiness to resolve outstanding differences in a proactive manner" and must continue with the development of bilateral relations.<sup>4</sup> In recent years, India-China relations have noticed an upswing on two fronts: economic and trade engagement, which has risen from around (US)\$10 billion in 2004 to (US)\$65 billion in 2014; and political engagement, where visits of the heads of state and heads of government have been a regular feature. Notwithstanding a plethora of documents such as Agreements, Joint Statements, Joint Communiqués, Shared Vision Statements, etc, "outstanding differences" between the two countries have also grown since 2005, including the boundary dispute, bordering regions, and regional security issues, most notable of them being the differences on maritime security.

After meeting President Xi in Beijing recently, India's National Security Advisor, Ajit Doval noted that both Modi and Xi are "decisive leaders" and under their leadership the bilateral relations may witness an "orbital jump".<sup>5</sup> Nevertheless, the immediate task for the leaderships in India and China is to examine the relevance of the stated principles underlying their relationship, such as the "principles of Panchsheel" and "equality", or whether these are merely rhetorical. Panchsheel has never been a trusted political catchphrase in India-China relations, at least not from the Indian perspective since the 1962 war. It is China and its foreign policy practitioners who have always flaunted the sentiments of Panchsheel after the 1962 war. The principle of equality also remains contested. Population, demography and the spirit of "Asia-hood" may remain a few persuasive factors behind the equality principle, but can the norm of equality become the defining aspect when China's economic strength and defence budget are much higher than that of India, and China continues to enjoy the privilege of being a P5 nation at the UN Security Council (UNSC) without advocating a clear support for India's membership of that club? The equality principle also remains problematic when Xi defines and shapes China's foreign policy within a structure of "new type of major power relationship" that

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<sup>4</sup> "Joint Statement of the Republic of India and the People's Republic of China", April 11, 2005, Ministry of External Affairs: Government of India, at <http://www.mea.gov.in/bilateral-documents.htm?dtl/6577/Joint+Statement+of+the+Republic+of+India+and+the+Peoples+Republic+of+China> (accessed August 23, 2014).

<sup>5</sup> Atul Aneja, "China-India ties poised for an 'orbital jump', says Doval", *The Hindu*, September 10, 2014, p.1.

exemplifies China's standing at par with the US.<sup>6</sup> Given this unequal standing, Xi's visit to India must witness and punctuate a case where India and China redefine their bilateral ties. More than the definition, the two countries need to address the concerns that bedevil their relations. *Two* issues that need immediate attention during President Xi's visit to India are: (1) border incursions if not the boundary dispute; and (2) policy passage of India and China.

### **Border Region Problems: Will Xi address them?**

The boundary dispute is too big an issue to be addressed and resolved during President Xi's visit, but it is time that the new leadership in both the countries attempt to discuss the issue instead of leaving it entirely to the official mechanisms. Even after the seventeenth round of Special Representatives level talks, the dispute remains unresolved. The subject is further complicated by the incursion issue by the People's Liberation Army (PLA). Most of the recent border incursions have taken place in Chumar valley, which is located around 300-km east of Leh and has been the epicentre of border incursions in recent past. India has a relatively dominant position in this area.<sup>7</sup> Are Chinese incursions intended to be provocative?

Modi raised the boundary issue and border incursions during his meeting with Xi in Brazil. The matter of border incursions has been primarily addressed under "border management" talks of the Working Mechanism for Consultation and Coordination (WMCC), which was established in 2012. Mostly seen as standard official practice, the seventh round of WMCC met on August 27, 2014, to address a fresh set of reported border incursions and perceptual differences relating to patrolling along the Line of Actual Control (LAC). It may be noted that border incursions have been taking place even after the Border Defence Cooperation Agreement (BDCA) was signed on October 24, 2013 after the Depsang valley incident (*see Box 1; See Box 2 for progress of WMCC*).

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<sup>6</sup> Xi Jinping advocated the slogan of "new type of major power relationship" between the US and China in February 2012 when he was the Vice-President of China. See Yang Jiemian, "China's Vision of New Type of Major Power Relations with US", *China & US Focus*, April 9, 2013, at <http://www.chinausfocus.com/foreign-policy/chinas-new-vision-of-new-type-of-major-power-relations-with-the-us/> (accessed September 10, 2014).

<sup>7</sup> "Incursions along China border due to perception difference about boundary: Rajnath Singh", *The Economic Times*, July 17, 2014, at [http://articles.economictimes.indiatimes.com/2014-07-17/news/51656862\\_1\\_chumar-chinese-troops-pla](http://articles.economictimes.indiatimes.com/2014-07-17/news/51656862_1_chumar-chinese-troops-pla) (accessed August 28, 2014).

### **Box 1: Major PLA Border Incursions Post-BDCA**

- April 15, 2013: PLA troops came almost 19 km inside to Indian territory at Raki Nala in Depsang plains of the Ladakh region.
- October 23, 2013: BDCA signed.
- March 16, 2014: Nine PLA soldiers reached near the Indian side of the border areas and 10 more PLA soldiers reached Chumar areas in Ladakh.
- June 27, 2014: PLA troops attempt to intrude into Indian territory and waters at Pangong Lake in eastern Ladakh region, around 168 km distance from Leh.
- July 17, 2014: PLA troops made two incursion attempts in Charding Nilu Nullah Junction in Demchok and Chumar areas.

*(Source: Collated from various open Indian news sources like Times of India, NDTV, The Hindu, Hindustan Times, etc.)*

The framework of the BDCA is based on *three* perspectives: the Strategic and Cooperative Partnership for Peace and Prosperity between the two sides must serve the fundamental interests of the common people; not to use military capability against each other; and not to use force against each other to gain unilateral superiority. The BDCA also stresses the aspect of “principles of mutual and equal security”.<sup>8</sup> The fundamental explanation for border incursions is that these take place “due to the difference of perception about boundary”.<sup>9</sup> No matter what the political hue of the Indian government, the general line of approach that has so far been followed is that there is an absence of a mutually agreed LAC; that the border so far has been peaceful, but from time to time, on account of differences in the perception regarding the LAC, incursions have happened. This may be a sagacious approach, but the new leadership in India must try finding a stable solution to it. In India’s perspective, the repeated Chinese border incursions calls to question the validity of BDCA and WMCC and whether institutional mechanisms really serve any practical purpose as regards the Chinese military posture.

<sup>8</sup> “Agreement between the Government of the Republic of India and the Government of the People’s Republic of China on Border Defence Cooperation”, Ministry of External Affairs: Government of India, October 23, 2013, at <http://www.mea.gov.in/bilateral-documents.htm?dtl/22366/Agreement+between+the+Government+of+the+Republic+of+India+and+the+Government+of+the+Peoples+Republic+of+China+on+Border+Defence+Cooperation> (accessed August 29, 2014).

<sup>9</sup> This is a remark made by India’s Home Minister Rajnath Singh on the reported attempt at border incursion on July 13. See “Incursions along China border due to perception difference about boundary: Rajnath Singh”, *Economic Times*, July 17, 2014, at [http://articles.economictimes.indiatimes.com/2014-07-17/news/51656862\\_1\\_chumar-chinese-troops-pla](http://articles.economictimes.indiatimes.com/2014-07-17/news/51656862_1_chumar-chinese-troops-pla) (accessed September 4, 2014).

### Box 2: Progress of Working Mechanism for Consultation and Coordination on India-China Border Affairs

Meetings	Date	Venue	Main Representatives	Major Issues Discussed
7 <sup>th</sup> Round	27 August 2014	Beijing	Pradeep Kumar Rawat (India) and Ouyang Yujing (China)	<ul style="list-style-type: none"> <li>Operationalizing BDCA</li> </ul>
6 <sup>th</sup> Round	28-30 April 2014	Beijing	Gautam Bambawale (India) and Ouyang Yujing (China)	<ul style="list-style-type: none"> <li>Implementation of BDCA</li> <li>Additional Confidence Building Measures (CBMs)</li> <li>To find an alternative route for Kailash-Mansarovar Yatra</li> </ul>
5 <sup>th</sup> Round	10 February 2014	New Delhi	-Do -	<ul style="list-style-type: none"> <li>Developments in the border areas in the Western sector</li> <li>Implementation of BDCA</li> <li>Additional CBMs</li> </ul>
4 <sup>th</sup> Round	29-30 September 2013	Beijing	-Do -	<ul style="list-style-type: none"> <li>Review of developments on border, mainly in the Western sector</li> <li>Measures to maintain stability on the border</li> </ul>
3 <sup>rd</sup> Round	23-24 July 2013	New Delhi	-Do -	<ul style="list-style-type: none"> <li>Developments in the border areas</li> <li>Additional CBMs</li> <li>Improvement of the functioning of the Working Mechanism</li> </ul>
2 <sup>nd</sup> Round	29-30 November 2012	New Delhi	Gautam Bambawale (India) and Wang Xiaodu (China)	<ul style="list-style-type: none"> <li>Developments in border areas</li> <li>Establishment of additional measures for maintaining peace and tranquillity</li> <li>Liberalization of border trade across Nathu La</li> <li>Additional routes for Kailash Mansarovar Yatra</li> </ul>
1 <sup>st</sup> Round	5-6 March 2012	Beijing	Gautam Bambawale (India) and Deng Zhonghua (China)	<ul style="list-style-type: none"> <li>Working Mechanism Rules and Mode of Functioning</li> <li>Emergency consultation over telephone and video conferencing</li> <li>Additional items for border trade</li> <li>Possibility for exploration of possible alternative route for Kailash Mansarovar Yatra</li> </ul>

(Source: Various open sources like *Ministry of Foreign Affairs of the People's Republic of China*, *Ministry of External Affairs of the Government of India*, *China Daily*, *Xinhua*, *Times of India*, *The Hindu*, etc.)

## The 'One' Principle Politics: Challenge for Xi and Modi

The second priority that the Xi-Modi meet must address is how India and China will approach and perceive each other's sensitivities. This may include border issues, third-party neighbourhood politics and maritime security. The NDA government seems to be carrying forward a thoughtful neighbourhood policy, in which China holds utmost priority. Similarly, the new Chinese government has also exerted itself to reach out to Modi. In Beijing, there is a realization that the new Indian government is resilient and enjoys people's confidence in taking strong foreign policy decisions.<sup>10</sup>

Fundamental security issues for both countries embrace "One principle" politics. This politics was not highlighted during the last one decade, though since 2010, none of the *Joint Statements* released by the two countries has mentioned India's endorsement of "One China" policy. India's Minister of External Affairs, Ms. Sushma Swaraj, has stated a few times that China must appreciate "One India" policy and that "For India to agree to a one-China policy, China should reaffirm a one-India policy", and "China should appreciate and understand India's sensitivities on Arunachal Pradesh when they raise issues like Tibet and Taiwan".<sup>11</sup> Beijing's construction activities in Pakistan Occupied Kashmir (POK), its reservations on India's commercial and maritime interests in the South China Sea, and most notably, persistent claim on Arunachal Pradesh and to term it as a "disputed" territory are some of those aspects that must compel India to bring alive the debate of "One principle" politics.

The onus is on the two leaders to register this politics without complicating the existing bilateral ties. Xi needs to show courage to appreciate the "One India" policy. China needs India at the regional and global levels as much as India needs China today. To build up better confidence, Beijing needs to give up its claim on Arunachal Pradesh, not read too much about the Dalai Lama's opinion and Tibetan activities in India, and show openness on India's maritime exploration and commercial activities in the South China Sea. The construction activity by Beijing in POK is a "unilateral" action which hurts Indian sentiments. At the same time, India needs to ensure that if it wants to propel the "One principle" politics further, it must first articulate and build a domestic consensus on what constitutes a "One India" policy in principle. The 2005 *Joint Statement*, which officially defines current India-China ties, does note that "India was one of those first countries to recognize 'One China' principle and would continue to abide by that".<sup>12</sup>

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<sup>10</sup> Wu Jiao, "China's Xi, India's Modi meet with upbeat tone", *China Daily*, July 15, 2014, at [http://usa.chinadaily.com.cn/epaper/2014-07/15/content\\_17782213.htm](http://usa.chinadaily.com.cn/epaper/2014-07/15/content_17782213.htm) (accessed September 10, 2014).

<sup>11</sup> See Indrani Bagchi, "India talks tough one one-China policy, says reaffirm one-India policy first", *Times of India*, September 9, 2014, at <http://timesofindia.indiatimes.com/india/India-talks-tough-on-one-China-policy-says-reaffirm-one-India-policy-first/articleshow/42060331.cms> (accessed September 9, 2014).

<sup>12</sup> "Joint Statement ...", n. 4.



**Box 3: India-China Comparative Profile, 2004-2014**

	2004-5		2013-14	
	China	India	China	India
GDP per capita, PPP (Current International US\$)	4345.51	2669.02	11903.59	5410.29
GDP (Nominal) Ranking	7	10	2	10
Bilateral Trade (Billion US\$)	10		65	
Military Expenditure in (constant 2011) million US\$	63560	33879	188460	47398

**Source:** World Development Indicators Database, World Bank at <http://data.worldbank.org>, SIPRI Military Expenditure Database at [www.sipri.org/research/armaments/milex/milex\\_database](http://www.sipri.org/research/armaments/milex/milex_database) and other open sources like *China Daily*, *The Hindu*, etc.

**Charting the Next Course**

In the past decade, India-China relations were more institution-based, where former Prime Minister Manmohan Singh and former President Hu Jintao held centre stage. The second decade is bound to be defined by Modi and Xi and will be a testing time for the ties as both the leaders have strong personalities. Both India and China have moved ahead since 2004-5 (See Box 3), when the Strategic and Cooperative Partnership for Peace and Prosperity was signed. The foreign policy execution of both the countries is now far more nuanced and consequently calls for a review of the Strategic and Cooperative Partnership.

The Shared Vision for the 21st Century between India and China, formulated in 2008, mentions both countries as “developing nations”, and emphasizes democratization of international relations, the importance of multilateralism, economic globalization and the need to have an “open, fair, equitable, transparent and rule-based multilateral system” where India and China can together play a stronger role.<sup>13</sup> India-China ties have seen some substantial progress on these aspects. Today both are engaged in BRICS, BASIC and other multilateral frameworks, which are helping them to attain broader global governance issues. The bilateral ties, however, are deficient in addressing jointly the

<sup>13</sup> “A Shared Vision for the 21<sup>st</sup> Century of the Republic of India and the People’s Republic of China”, Beijing, January 14, 2008, at <http://mea.gov.in/outgoing-visit-detail.htm?5145/A+Shared+Vision+for+the+21st+Century+of+the+Republic+of+India+and+the+Peoples+Republic+of+China> (accessed September 9, 2014).



regional and global security issues. Even though the relationship is titled as 'Strategic and Cooperative', collaboration is clearly missing on critical regional and global security issues. Maritime security and freedom is one such issue, which must be addressed in India-China official documents. This is significant when both India and China are today strong maritime powers. Besides, this is important as Beijing has invited India to join its proposed Maritime Silk Route. In an open invite to the new Indian government, Gao Zhenting, Councillor of Department of International Economic Affairs of the Chinese government recently said that India is the converging point for China's passage of Maritime Silk Road and India must consider joining the project.<sup>14</sup> This is certainly a new testing point for the Modi government.

The Maritime Silk Road encompasses both cooperative and conflicting corollaries. Whether the conflicting courses override the cooperative drive or whether the cooperative drive will be able to manage India-China maritime politics needs to be probed. The US "pivot" to Asia and disputes in the South China Sea and East China Sea in the recent past have impelled China to raise the maritime pitch. Beijing's Maritime Silk Road initiative is an exercise on these lines, which India must take note of. Besides, the Chinese objection to India's oil exploration in the South China Sea, its dispute with Japan in the East China Sea and China's recent posture in the Indian Ocean Region (IOR) have obvious implications for India-China maritime affairs. This is one aspect that will dominate India-China power politics at the regional level. The practical connotation of India-China Strategic and Cooperative Partnership will be tested as maritime politics are going to determine the course of Asia's power politics in the coming times.

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<sup>14</sup> "China invites India to join its ambitious Silk Road projects", *NDTV*, Press Trust of India, August 10, 2014, at <http://www.ndtv.com/article/india/china-invites-india-to-join-its-ambitious-silk-road-projects-573710> (accessed September 9, 2014).