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INDIA-CHINA RELATIONS

An Assessment of President Hu's visit to India

A summary report of a roundtable discussion organized by ORF, New Delhi

In the backdrop of Chinese President Hu Jintao's visit to India, a roundtable discussion was organized by Observer Research Foundation on December 1, 2006 to assess the outcome of the visit and its impact on relations between the two countries. The discussion focused on how the India-China relationship would evolve in the wake of the visit. The discussion was initiated by Mr. M. Rasgotra, who made the following observations:

- The visit could be rated as "good", not a "landmark" event, but better than "moderately successful".
- The visit could form the base for further cooperation and strengthening relations in diverse fields.
- Hu's speeches sought to convey a message to the international community that India and China are "true friends".
- India is "sensitive" to the Tawang issue. The real issue is the Tawang tract and not the entire Arunachal Pradesh. India's position is clear that Tawang is in India and that is where the border negotiations lie now.
- China's desire to improve relations with India is to an extent a result of the improving India-US relations: as "one relationship improves, the other will also improve".
- Of special importance is the introduction of nuclear related matters in the India-China dialogue. China's re-

sponse to the nuclear matter is a sign of a meaningful relationship. This could possibly be an indicative that when the Nuclear Suppliers Group takes up India's case, China's response would be a positive one.

- Hu indicated that China may not obstruct India's candidature for permanent membership of the UN Security Council.
- The six-point agenda for strengthening relations has "nothing new" in it: this is part of an ongoing process. On an average, the two countries have been signing ten agreements a year in the last few years.
- China's interest in the India Ocean is understandable as a huge volume of Chinese trade passes through the Ocean from the Gulf. If that is the only interest, the two countries can work together on this front as well. The Government of India should have asked the Chinese what its strategic interests are in the India Ocean, rather than shying away from the issue. China's South Asian policy has the effect of encircling India: this cannot be a basis for a truly "strategic partnership".
- China's relations with Pakistan and Myanmar are "truly strategic" and the military dimension affects India's security. These issues should be candidly discussed with China in the atmosphere of bonhomie generated by

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President Hu's visit.

SIGNIFICANCE OF THE VISIT

Participants differed on the outcome of the visit—opinions varied from 'good,' 'normal,' 'routine' to 'part of a process'. While some held the view that the visit was part of a larger process, others saw it, not as a process, but as an 'event'; an assessment could be made on whether new issues had been raised during his meetings with the Indian leadership. On the purpose of the visit, it was felt that the visit was aimed at building a new image of China in the context of the country assuming a new role in international affairs and posturing itself as a superpower, second only to the US. It was also pointed out that President Hu was trying to carve out his own identity. It was noted that the Chinese did not think the visit was a success, even though the Chinese media described the visit as "successful".

The decision by the two countries to hold regular summit meetings was considered significant. This would take the relationship between the two countries from the superficial level to one with a deeper understanding that would help resolve the core issues. Some concerns were raised regarding Joint Statement (JS), which some participants claimed termed India as being a "subordinate" actor to China. However, the consensus was that the visit would generate more understanding on the core issues, with India needing to take advantage of the growing relationship.

BORDER ISSUE

The border issue dominated the discussion. In the wake of Chinese Ambassador Sun Yaxi's remark on Tawang on the eve of Hu's visit, the participants agreed that India was sensitive to the Tawang issue and that it was the 'most complex' and the 'most important' of all issues. Two views emerged on the border question: First, that there is a need for an immediate resolution of the border issue to avoid any serious military conflict between the two countries, which some feel, could be to India's disadvantage in the context of China's military superiority. Second: there are no easy solutions to the issue and its resolution will take time.

On Tawang, some held that the "real issue" was the Tawang tract and not the entire Arunachal Pradesh. However, it was pointed out that India's position on Tawang was clear and that China's claim was not acceptable. The meeting felt that the border negotiations were stuck on this issue.

It was pointed out that China wanted a political agreement on the border issue. A participant suggested that the China-Vietnamese border issue was a classic example to understand China's approach towards border issues. It was opined that China's claim over Tawang was the Chinese way of saying that they are concerned about the Tibetans; by raising the issue they wanted to win over the Tibetans. India needed to consider whether China really "wants Tawang" or is the demand a "bargaining chip"? From the military perspective, Tawang is extremely important: if Tawang were to cede to China, Indian defence would be pushed back to SELA Massif some 40 to 50 kms inside Indian territory. It was pointed out that India's objectives should be clear and its infrastructure in the North-east region should be improved to enhance military movement.

The "real issue" on the border was the Tawang tract and not the entire Arunachal Pradesh. It was pointed out by participants that India's position on Tawang was clear and that China's claim was unacceptable.

NUCLEAR COOPERATION

It was observed that the negotiation on nuclear cooperation forms the "substance" of the visit. The fact that China has responded positively should be taken as a meaningful sign. The view was expressed that when the Nuclear Suppliers Group (NSG) takes up India's case in the future, China might respond positively. However, this view was not shared by everyone. Some were skeptical about China's support on the issue. No specifics seemed to have been

discussed, though China's indirect acknowledgement of India's commitment to non-proliferation is to be noted.

INDIA'S BID FOR A PERMANENT MEMBERSHIP IN UNSC

Opinions were divided on China's position on India's bid for a permanent membership in the United Nations Security Council. The meeting, finally, was of the view that there was no need for India to reiterate its "requests" on the issue.

CHINA'S REGIONAL POLICY

Another aspect that got highlighted was China's regional policy. On Hu's visit to Pakistan after his sojourn to India, it was seen as an attempt to re-assure Pakistan that it need not feel discounted by its ally. Participants noted that China's relationship with Pakistan is strategic. However, China's assistance to build the Gwadar port was to ensure its supply of oil from the Gulf through the Indian Ocean: Gwadar is a commercial success for China but a "military miscalculation" as Gwadar's air-defence would be a serious liability, it was felt. Some argued that China has concerns of its own over Taiwan, Tibet, Xingjiang, etc, and India needs to make its stand

clear by firmly stating that China's closeness with Pakistan is a security threat to India. It was also observed that China's relations with Myanmar are "truly strategic" and its moves to encircle India affect India's security.

China's policy in the region is seen as a strategy to tie India down in South Asia. However, some hold that India need not be paranoid about it, rather, they suggest that India needs to be more proactive in its engagement with the regional countries. On a more realistic note, it was agreed that China would continue its presence in the neighbourhood and it is for India to regulate its relationship with its neighbouring countries and formulate its role in Asia. Active hostility between the two countries was ruled out. However, observing that although China has come to terms with building good relations with its neighbours for regional stability, it has also used strategic dominance to further its interests. After the Sino-Soviet clash in 1969, China has been easing its problems in the border areas. China at present would not like to go into direct border conflict in the region.

CHINA'S STRATEGIC INTEREST IN THE INDIAN OCEAN

It was observed that Chinese strategic interest in the Indian Ocean was understandable in the context of the huge volume of Chinese trade that passes through the Ocean from the Gulf. The two countries could work together on this front. However, doubts were raised as to whether that was the only interest China had in the Indian Ocean. Some were of the view that the Government of India should have asked China what its strategic interest in the Indian Ocean is, rather than shy away from raising this vital issue.

COOPERATION AT THE INTERNATIONAL LEVEL

It was observed that cooperation at the international level between the two countries is important as the two countries share many commonalities, such as in WTO, where both countries can work together.

US-INDIA-CHINA

On the improving relations between India and the US, it was observed that China wants to improve its relation with India on the assumption that as 'one relationship improves, the other will also improve'. It was also pointed out that China cannot replicate the Indo-US nuclear deal in its dealing with Pakistan but would significantly enhance nuclear coopera-

tion with Pakistan in other ways. It was noted that there was agreement to supply six nuclear energy plants to Pakistan about which there was a great deal of expectation in Pakistan on the eve of Hu's visit.

CHINA'S ECONOMY

It was stated that there has been much "misreading" of the reality covering China's economic advance. Although China claims nine per cent growth rate, it was actually much below that—the World Bank puts it at 8.2 per cent. There has been a recession in the economy and the growth rate, in fact, was around 7.5 per cent. It was observed that while China is planning to make radical changes in policies, the political leadership has been incapable of resolving the social unrest emanating from high unemployment.

STRATEGIC RELATIONSHIP

On the China-India strategic relationship, some skepticism remains for the reason that China's interests are different from India's. India's interest has been economic but short of strategic, whereas China's interest has been strategic. There was disagreement with regard to pursuance of strategic and economic goals by the two countries. While some are of the view that strategic goals can be pursued independent of economic goals, others

opined that there cannot be a distinction between economic and strategic relationship. China, it was noted, has built extensive communication and transport networks on its side of the border whereas India has just woken up to the need for more roads. The need to look at all things as an integral part of the whole was stressed.

MILITARY CAPACITY

A participant said that China only respects power. In the Eastern theatre, India should develop infrastructure to improve its military capability. If the territorial dispute was not settled, the increasing military gap between the two countries could jeopardize India's security. China's military power has significantly increased but it was highlighted that this may not necessarily lead to direct military conflict between the two sides in the near future.

INDIA'S SOFT POWER

India's soft power should not be underestimated. It was pointed out India does not need to "ape" China. China lacks the ability to understand other cultures whereas India is very

High-level exchanges have become a normal pattern between the two countries for some years now and it would not be correct to expect major breakthroughs on core issues at every summit-level meeting.

accommodating of other cultures. India needs to build cooperation with countries like Vietnam and Taiwan to counter China's dominating position.

The discussion was chaired by Mr Brajesh Mishra who, in his concluding observations, underlined the following points:

- The visit may be characterized as “normal”. High-level exchanges have become a normal pattern between the two countries for some years and it would not be correct to expect breakthroughs in every meeting. This visit will generate more understanding to really get into the core issues.
- India needs to correct its own shortcomings and build itself, rather than go on complaining.
- Whether it was because of *ahimsa* or non-alignment policy, India has not thought of the use of power. India has had no “strategic thinking culture”.
- China also has its won worries in Tibet, Taiwan, and Xingjian.
- China will not agree to expansion of the UNSC, not because of India but because of Japan.
- China may oppose India in the NSG along with other countries.
- The border problem may not be resolved in the near future. However, China is not prepared for any border conflict with India. Tawang is important to India not only strategically but also politically and culturally. India cannot give up on the issue.
- China will continue its presence in the neighbourhood. The question is how India regulates its relationship with the neighbours.
- India should use these visits as well as continue trade relations to understand China better.
- Lastly, is India going to take advantage of the growing relationship?

Participants included Mr. Brajesh Mishra, Mr. M. Rasgotra, Prof. S.D. Muni, Mr. K. Raghunath, Mr. Parthasarathy, Mr. Ranjit Gupta, Prof. Meera Shina Bhattacharjee, Prof. Baldev Raj Nayar, Dr. M.L. Bhattacharya, Brig. Gurmeet Kanwal, Mr. M.V. Rappai. Mr. Prem Shankar Jha, Major Gen. R.C. Chopra and Lt. Gen. V.K. Kapoor.

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