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Boundary Dispute:
Incentivising Cooperation, Enlarging
Bargaining Space and Promoting
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Introduction

Pessimism towards a foreseeable settlement of the India-China border dispute is not unfounded. At the political level, there is a “trust deficit”¹ which impedes cooperation when both parties have sought closer engagement with each other's adversary.² Progress on the border issue has also come to almost a complete stop in recent years, despite the existence of multi-tiered mechanisms to facilitate resolution. Since the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question in 2005, both countries have hardly shown any interest in completing the exchange of maps detailing each party's perception of its respective Line of Actual Control (LAC). Without sufficient trust between both sides and a show of substantial progress at border talks, it is difficult to envision how an eventual resolution of the border dispute could ever be achieved.

However, we should not shun difficult attempts to resolve this long-standing problem. The border dispute is easily the most delicate flashpoint between India and China for a number of reasons. Both countries are already highly sensitive to activities in the disputed region and miscalculations could happen easily. The risk is compounded by the large tracts of territory in dispute, which raises the likelihood of perceived

hostility along the long border. Despite the possible high costs of a full-blown conflict, it is observed that China has not been averse to escalating territorial conflicts when it is no longer able to put up with an uncooperative neighbour; the current dispute with India should be no exception.³

Even if a military confrontation is averted, putting off a settlement does have its negative consequences. From a theoretical perspective, the difficulty of resolving a territorial dispute increases with time because the disputed territory gets increasingly integrated into the territory of the revisionist state, there is less room for compromise when boundaries of the disputed area become less flexible and more precise, and the disputed area holds increasing symbolic value to disputant states and thus cannot be traded away easily.⁴ In the instance of India and China, there are similar signs of entrenchment taking place. After the border war in 1962, the Indian Parliament unanimously passed a resolution stating that “India will recover each inch of territory lost to the Chinese”⁵; in 1984, the Chinese initiated claims to Tawang, on the grounds that it was the birthplace of the 6th Dalai Lama and thus “central to Tibetan Buddhism”.⁶ Postponing the search for an eventual settlement would either entail the risk of escalation or make the dispute more intractable in the future.

Neither should India nor China contemplate the use of force to reach a resolution. A settlement that has been unilaterally imposed by one party on the other cannot be expected to satisfy the interests of stakeholders and would be susceptible to being overturned in the future. The costs of employing force are also patently immense at many levels—the immediate economic costs and huge loss of lives, a bankruptcy of trust between these two powers and a protracted period of instability in the region, to name a few.

This paper, therefore, explores how a peaceful settlement of the India-China border dispute can be engendered. It sees the path to resolution as a three-step process and identifies the obstacles at each stage. Recommendations are then made to address these challenges. It is argued that to whet China's appetite for cooperation, India must work towards maintaining its power position relative to China and seize the opportunities in the post-Dalai Lama era. With the intent to cooperate, these two countries must enlarge the room for cooperation by managing public opinion, acting with resolve and acknowledging each side's ownership of certain contested territories and a common LAC. Obstructive strategies such as disguising one's positions as principles and an aggressive extension of claims should also be promptly discerned and countered.

Review of Existing Literature

Existing theories of conflict resolution have offered clues as to how territorial disputes can be amicably resolved. Scholars have located contributing factors at three levels—the inter-state level, the unit (state) level and the intra-state level. Between states, the distribution of power can influence state behaviour in conflict resolution. One state may seek to end the dispute peacefully so as to befriend a neighbour to balance another opposing state.⁷ Also, a somewhat asymmetrical distribution of power in favour of the status quo (but not too asymmetrical) is likely to produce inter-state cooperation: Severe asymmetry brings about a unilateral solution that is unlikely to please all parties, but a relatively weaker revisionist state acknowledging the status quo party's position of superiority is more amenable to peaceful propositions put forth by the latter.⁸

Characteristics of the state and state interests have significant implications on the outcome of territorial disputes as well. Democracies face greater resistance when employing violence and are thus discouraged from doing so; however, it should be noted that even in democracies the ease of reaching a feasible solution varies with the quotient requirements for agreements to be ratified by the legislature.⁹ It is also possible that similar political regimes share similar norms and rules that facilitate negotiations: disputants are saved from having to debate over differing norms that often cannot be compromised.¹⁰ As rational actors, states also advance their interests in resolving territorial disputes. Reasons for cooperation are as many as the forms of state interests. From an economic perspective, stable borders can simply bring greater monetary gains due to ease of cross-border trade.¹¹ Or, the status quo party might expect benefits in the long run for making concessions to improve ties.

Bearing security considerations, a state beset by regime insecurity is expected to be more cooperative to trade for assistance from neighbours.¹² Maintaining a reputation for “toughness” in territorial disputes is also an economical means to ward off potential challengers. Finally, salience of the disputed land, which could range from possessing material resources to its psychological value, can be indicative of the extent of competition that the disputant states will be engaged in; nevertheless the fact that the escalation or de-escalation of territorial conflict with salience of disputed land remaining unchanged points to little correlation between these two variables.¹³

Domestic actors impacting resolution outcomes consist of political leaders, negotiators and the public. The amount of time in political office and the reputation of political leaders can determine whether these leaders would undertake peaceful pursuits.¹⁴ The importance of leadership is also

underscored by the fact that political resolve, readiness to accept compromise and even preferences facilitate nonviolent settlement.¹⁵ Sometimes a way out is only possible when negotiators do not adopt disruptive bargaining strategies.¹⁶ The public is also a significant actor for it sets constraints on what an acceptable negotiation outcome would be, especially in democracies.¹⁷

Ideational and perceptual elements permeate the three above mentioned levels and deserve mention. At the inter-state level the revisionist state that perceives itself matching its opponent in power is encouraged to employ violent means to achieve territorial aims. At the unit level states may sometimes act against what is good to attain what is right; they might also be informed by particular norms and historical memories entrenched through time. Within the state the public might have also attached psychological or symbolic value to the disputed territory that makes the conflict more intractable.

However, the plethora of identified factors is symptomatic of the limitations in current research. It suggests a lack of consensus among scholars on the relative importance of these variables, which understandably rests upon the states in question—for example certain states are more capable of subjugating norms and principles to national interests. Hence, in the context of this paper, instead of analysing it with a one-size-fits-all framework inflated by multifarious variables, it would be more expedient for our research if significant variables can be identified, based on an understanding of India and China's behaviour, interests and domestic circumstances, and integrated into a more parsimonious structure.

Moreover, in formulating a general theory of territorial dispute resolution, scholars have tended towards identifying contributing factors rather than causal factors because the former, dealing with questions of probabilities rather than certainties (e.g. it is more probable that conflicts can be resolved peacefully between democracies), lends itself to generalisations. It falls short of explaining how and why a specific conflict is going to be resolved. This inadequacy can only be overcome by grounding our analysis in the substance of the territorial dispute.

Constructing a Theoretical Framework

Any theory of conflict resolution should endeavour to illuminate the path to peaceful settlement. To this end a three-part theoretical framework, inspired by the works of Fravel¹⁸ and Kacowicz,¹⁹ is conceived as follows:

(1) Motivations for Change from Delaying to Cooperative Strategy:

States must have incentives to switch from a delaying strategy, in which states maintain their respective territorial claims and do not attempt to modify the status quo, to a cooperative strategy whereby an offer to either exchange territory or relinquish claims is made.²⁰ Incentives would only be effective in motivating change if they coincide with state interests and are powerful enough to offset the costs. Being rational actors, states pursue their own interests and engage in cost-benefit calculations. They must therefore be persuaded that they would be compensated for giving up advantages associated with non-action, like buying time for a strengthened bargaining position in the future.²¹

(2) Size of Bargaining Space: States willing to cooperate on the dispute must then contemplate the size of their respective bargaining space,

which is the extent of cooperation permissible by the state and the intra-state actors.²² Bargaining space can either be constricted or enlarged at both levels: for instance, the salience of the disputed land may have diminished over the years, giving the state larger bargaining space; on the other hand, the public may rebuff concessions that are perceived to be too high a price for peaceful resolution. In short, the state and the domestic actors hold certain interests, preferences and perceptions that may limit the range of acceptable concessions and compromises the state can make.

- (3) **Bargaining Strategies:** After an appraisal of the bargaining chips at hand, disputant states engage each other through their preferred bargaining strategies at the negotiation table. From the perspective of achieving successful outcomes, bargaining strategies can be either constructive or obstructive. A state keen to see the actualisation of peaceful settlement might initiate reciprocal offers to expedite the process; another state that is more eager to extract maximum gains at the lowest cost possible might employ linkage tactics which the other party would find difficult to accept.²³ The choice of bargaining strategies depends on a range of factors which include past success in employing similar strategies, stakes and interests in the dispute as well as established preferences.

The proposed framework is highly useful in pointing a way out for the India-China border dispute. It is capable of demonstrating the relative importance of each factor by emphasising motivations for change as the primary driver of the settlement process, followed by bargaining space and bargaining strategies impacting the process at the later stages. This is not to say that their effects are inconsequential; bargaining space can be constricted to the extent that any form of concession is realistically

impossible and an aggressive bargaining strategy can be so exacting on the recipient party that it would rather exit negotiations than to compromise.

In addition, this framework is able to accommodate context-specific variables that are relevant to the peaceful resolution of the dispute. It examines the salient elements of the dispute and the disputant states and sorts them according to how they would impact the resolution process. Therefore, in resolving the border issue between India and China, it supersedes other general theories by considering, assessing and offering specifics.

A Brief Introduction of the Border Dispute

The contested areas between India and China now consist of two sectors. The Western Sector refers to the Aksai Chin region between the Karakoram Range and the Kunlun Range. India claims that its border should begin from the Karakoram Pass and run along the Kunlun Range; the Chinese government asserts that the boundary should be along the Karakoram Range, where the LAC now lies. The Eastern Sector encompasses the Indian state of Arunachal Pradesh whose northern border coincides with the McMahon Line. Chinese claims in this sector have varied from parts of Arunachal Pradesh to the entire state. On the other hand, the dispute over the Middle Sector, where Sikkim lies, appears to have dissipated as China formally ceded its claim to Sikkim by referring to it as the “Sikkim State of the Republic of India” in the 2005 Joint Statement with India.²⁴

Conflicting claims have arisen mainly from the lack of any formal treaty defining the boundaries and varying interpretations of border agreements. In the Western Sector, efforts by the British to delimit the boundary in

several occasions since the 1840s were hindered time and again by the lack of response from the Chinese; this eventually led to an “undefined” border between India and China when the British left India.

In the Middle Sector, the border between Sikkim, then a protectorate of India, and Tibet was demarcated in 1895. As such, when Sikkim became an Indian state, its border with China would also become India's. China contested the legality of this merger on the basis of Sikkim's historical affiliation with Tibet. In the Eastern Sector, India and China's claims stem from different perceptions of the Simla Accord in 1914 which saw Tibet defining its border with India according to the McMahon Line. China refused to recognise this agreement, claiming that Tibet was under its suzerainty and hence was not in a capacity to enact agreements with other nations; furthermore even though China participated in the negotiations it was not a signatory, meaning that China did not acknowledge the McMahon Line.

It was the difference in interpretations that provoked the border war in 1962 which would in turn alter the strength of claims made by both states. Prior to the war attempts to open negotiations on the border issue failed and border incidents continued. They were left to escalate, with the Chinese believing that India must be deterred from making future incursions and punished for perceived subversion in Tibet, and India's misplaced confidence that a war was unlikely to happen. A war eventually broke out in both the western and eastern sectors. An important consequence of the war on the territorial claims was that China gained de facto control of the disputed Aksai Chin.

There was no concrete progress in border talks until the 1990s. In 1993, both countries signed the Agreement on Maintenance of Peace and

Tranquillity along the LAC, followed by the Agreement on Confidence Building Measures in the Military Field along the LAC in 1996. The latest agreement to be signed was the Agreement on the Political Parameters and Guiding Principles for the Settlement of the Boundary Question in 2005. This agreement is significant from India's point of view as Article VII states that, "In reaching a boundary settlement, the two sides shall safeguard the interests of their settled populations in the border areas". During this period there was also a maturation of dialogue mechanisms. A Joint Working Group (JWG) was set up in 1988 to replace the annual dialogue of Vice Ministers and it consisted of bureaucrats and experts that are well-suited to engage in technical discussions on the border issue. In 2003, Special Representatives were also appointed with the political mandate to steer negotiations.

However, as a reflection of the lukewarm diplomatic ties in recent years, India and China became increasingly confrontational over the boundary issue. In 2006, just before Chinese President Hu Jintao's visit to India, the Chinese ambassador claimed on India's national television that the entire Arunachal Pradesh belonged to China.

A year later, it was widely publicised that an Indian official from Arunachal Pradesh was denied a visa to visit China; India promptly retaliated by inviting then Taiwanese presidential candidate Ma Yingjeou to visit India. An increase in the number of territorial transgressions was also observed. What might have been preposterous, from India's perspective, was China's opposition to the Indian Prime Minister's trip to Arunachal Pradesh during his election campaign in 2009; India protested by being conspicuously silent on the one-China policy in its Joint Statement with China during Chinese Premier Wen Jiabao's visit to India in 2010.

Investigating Motivations for Change

In seeking a resolution to the border dispute, India has shown greater urgency than China, which insists that the intractable issue should be sidestepped for now to avoid crippling development in other bilateral issues. In fact, China is reluctant to seek a resolution as a delaying strategy could bestow it with a strengthened bargaining position on the border issue. Jump-starting the settlement process is therefore only likely to occur when China favours cooperation over non-action, possibly under conditions of regime insecurity.

As argued by Fravel, China has shown greater readiness to cooperate and compromise when it experiences regime insecurity.²⁵ Regime insecurity has both domestic and foreign origins. A state may face internal threats to its territorial integrity and political stability. It can choose to cooperate with other disputant states that will in return provide support to neutralise the internal threats or diplomatic recognition that shores up the legitimacy of the incumbent regime. It may also face external threats to its regime, in the form of challenges to its standing in the international system or competition with an adversary.

The state is enticed to compromise in territorial disputes to win allies for external balancing, or to gain access to resources for internal balancing. In the instance of China, it is observed that regime insecurity is always followed by an increase in agreements and treaties that advance resolution of boundary disputes. The rule of the communist regime was first shaken by the 1959 Tibetan Revolt and the Great Leap Forward, which respectively exposed the Chinese government's failure to establish legitimacy in the frontier and gross mismanagement of the economy. China then acted quickly to reach territorial agreements with its neighbours including

Burma, Nepal, North Korea and Mongolia to limit foreign assistance to the rebels and quell domestic discontent.

A similar period of breakthroughs in territorial disputes was seen after the 1989 Tiananmen incident and the end of the Cold War, whereby there is a groundswell of unhappiness and international misgivings towards the sustainability of communist regimes. To gain the much needed diplomatic support and reap the economic benefits from closer ties, China compromised in its territorial disputes with Russia, Laos and Vietnam. It can also be argued that China made certain concessions to Russia to befriend a neighbour that would be useful in balancing against the United States.

Nevertheless there are also sound reasons for China to maintain a delaying strategy. By keeping the boundary dispute unresolved, China can force India into “misallocating” its resources. As part of a broader development plan for the Northeast, India's infrastructural investment in the border regions in general makes economic sense. But to defend against possible incursions, these railways sometimes lead to Himalayan wilderness, generating modest economic gains and only serving a strategic purpose during military contingencies;²⁶ these resources could have been better invested in more productive areas elsewhere. In the competition to match each other's commitment to border development, China believes that its vibrant economy would allow it to outlast India in this process of “attrition”.

Moreover, a state confident of having a stronger bargaining position in the future would favour postponing the resolution. Greater bargaining power, especially in negotiations over territorial disputes, is often derived from increased military strength. Thus it is not surprising that China, which has

been rapidly expanding its military capabilities, is unwilling to cooperate now: it expects itself to establish a position of relative superiority through an aggrandisement of hard power so that it can concede less and bargain for more in the later settlement. Should the distribution of power between India and China be severely skewed in the future, there is also the unpleasant possibility that a unilateral solution might be enforced instead of a peaceful one.

Assessing Size of Bargaining Space

In the instance of the India-China border dispute, the size of bargaining space has been significantly narrowed at the state and intra-state levels. Both states strongly assert the salience of the contested territories, especially Tawang. China's grounds are that Tawang is of historic significance to Tibetan Buddhism and it was under the control of Tibetan monasteries until 1951. For India, it already has extant control of the territory whose population thinks more favourably of Indian rule. To further demonstrate its sovereign jurisdiction over the area, it has proposed building a rail line, together with two other lines in Arunachal Pradesh, which would link Tawang with the state of Assam.²⁷ More than the issue of defending territorial integrity, India also retains Tawang for its strategic importance. Possession of the Tawang tract by China would provide the quickest access to the Assam plains and increase the vulnerability of India's north-eastern states to a possible Chinese offensive.²⁸ When disputed territories are perceived to be highly valuable to both sides, the possibility of compromise would be greatly reduced.

Cooperation can only be fully realised if both states have determined their bargaining chips for concession-making at the negotiation table. In the resolution of territorial disputes, these “tradables” mainly consist of the

contested land under their de facto control. However, as the current impasse over the exchange of maps defining each party's version of the LAC has shown, both states are either unable or unwilling to reach a definitive computation of their bargaining chips, which is the share of disputed land possessed by India and China. There are no stable perceptions because the LAC is not clearly demarcated at places and is susceptible to incursions to alter the line in one's favour.²⁹ This induces the revisionist behaviour to advance one's control firmly through territorial transgressions now for increased gains during a political settlement along the LAC in the future. As such, unless both sides can acknowledge and adhere to a veritable LAC which affirms the size of bargaining chips for each disputant state, the extent of cooperation between India and China would be severely limited.

At the intra-state level the bargaining space is constrained by legislative impediment, public opinion as well as the lack of political resolve. Right after the border war in 1962, India passed a parliamentary resolution stating that it will seek to recover every inch of land lost to the Chinese.³⁰ This is a hurdle that can be overcome by political leadership that is able to retain the reins of power in foreign-policy formulation and forge a parliamentary consensus on a give-and-take solution.³¹ What resists change, however, is the deep-seated “moral” position that the public has adopted towards the border dispute.

It deems an East-West swap to be unfair as India would be recognising China's “illegal” occupation of Aksai Chin in exchange for what it already possesses—its sovereign rule over Arunachal Pradesh.³² Furthermore, some might frown upon this quid pro quo as a compromise with an expansionist neighbour that had provoked India into a war despite the latter giving up its rights to Tibet earlier.³³

For China, what hampers cooperation is the dearth of political will. Incumbent Chinese Communist Party (CCP) leader Hu Jintao has always maintained a hardline attitude towards Tibet, as exemplified by his successful but brutal crackdown of Tibetan protests in 1989. It would be out of character for him to consent to China giving up its claims to Tawang or even Arunachal Pradesh, considering Chinese perceptions of it as South Tibet.³⁴

Evaluating Bargaining Strategies

From the perspective of successful negotiation outcomes, India has adopted conciliatory bargaining strategies whereas China has practised a mix of both constructive and disruptive tactics. Both states have recognised the benefits and approved of de-linking which allows the less contentious issues to be addressed first. Even though they cannot agree on an eventual settlement of the boundary issue, they can agree on arrangements in which they share a common position, for example the confidence building measures in 1996 that has increased stability to the borders. This allows differences to be set aside and facilitates progress in the issue wherever possible. In the same spirit of pragmatism, India and China have acknowledged that a “political solution” is possible, given that contesting strictly in terms of historical and legal claims only would not yield positive results.³⁵ In this aspect both states have demonstrated certain willingness to acquiesce and pursue what works best for a peaceful resolution of the border question.

On the other hand, China has turned out to be a tough negotiator whose unyielding positions and exacting demands can jeopardise the negotiation process. To China, any resolution must be predicated on the “issues of principle” that it allegedly cannot compromise.³⁶ In its dispute with the

Soviet Union over the Amur and Ussuri sector, China has never wavered in its demand for the thalweg principle—that the middle line of a navigable watercourse should form the boundary between the two states—to be applied. In resolving boundary disputes with neighbours that had annexed part of China's territories in the past, China would also challenge the legality of the “unequal” boundary treaties signed before 1949 by calling for their abrogation before it would subsequently sign a new one.³⁷

Nevertheless, one should be aware that China's “ironclad principles” are not immutable and can be selectively suspended in light of strategic considerations. It did not consistently adhere to the McMahon Line and the watershed principle with India, which it had done with Burma, so that it could extend its claims beyond the south of the McMahon Line. This exemplifies Chinese's shrewd bargaining tactics: China would uphold international norms and principles when they best suit its national interests and would use them to demand the full compliance of other disputant states since they are “non-negotiable”; if they are found to be at odds with strategic aims however, they would be conveniently “forgotten” and waived.

China also has had a predilection for “comprehensive settlement” of boundary disputes. Rather than disaggregating issues which would allow progress on the dispute to be made piecemeal, it would press for a grand solution that could settle the boundary question once and for all. With the Soviet Union, China asserted that it would not conclude any arrangement until a solution has been found for the entire stretch of the disputed border.³⁸ A similar “package deal” was also made to India by Deng Xiaoping, who proposed an East-West swap that would allow the Chinese to give up its exaggerated claims in the eastern sector for those in the western sector.

The strategic intent behind this offer was to tempt India, which has been eager to seek a breakthrough in border negotiations, to accept a difficult compromise where it had to relinquish its rights to the disputed territory in the West. Finding the deal to be unacceptable, India insisted on a sector-by-sector approach, which was essentially a defensive de-linking tactic that would prevent compromise to be extracted in one issue for gains in another. China eventually gave in and learnt to adapt this approach to make extreme demands: it would now advance claims in all the sectors to gamble for the best possible outcome, for example by contesting the whole of Arunachal Pradesh.³⁹ Whether the prevailing approach is comprehensive or incremental, China is capable of manipulating it to maximise its gains, often at the cost of impeding the course of resolution.

Recommendations for Peaceful Resolution

Although this paper has identified many obstacles at the three stages of the peace process, they should be perceived as agents of change that can help to overcome the current deadlock in border talks. Indeed there are propitious conditions that India can capitalise on, and steps within India's capacity that would incentivise China to budge from a delaying strategy. Periods of regime insecurity, as stated earlier, can provide a window of opportunity where China could be more cooperative with its neighbours over boundary disputes in exchange for much-needed assistance.

India should thus keep a watchful eye for the next bout of threats to China's stability and legitimacy which it can play an active role in alleviating. An educated guess would be the post-Dalai Lama era: China is expected to come up with its own approved reincarnation of the Dalai Lama that would provoke the anger of many Tibetans, both in China and in exile; the successor of the current Dalai Lama might also hail from the exile

community and is more likely to be more anti-Chinese. Moreover, pro-independence organisations like the Tibetan Youth Congress are increasingly disgruntled with the “middle-way” approach espoused by the current Dalai Lama and might agitate for more radical action in his absence.⁴⁰ All these point towards a likely spike in separatist activities and unrest in Tibet that India can help to address, by curbing the movement and activities of the exile community within its own boundaries.

China might then be more amenable to a cooperative stance on the border issue, seeking India's collaboration on Tibetan separatism and the secure borders that would limit cross-border flows. This is not a distant prospect, considering that the Tibetan issue has managed to catalyse progress on the border dispute in the past: China's consent to open border trade in Sikkim in 2003, itself a tacit recognition of India's sovereignty over the state, has coincided with—and thus could be attributed to—India's formal acknowledgement that “the area known as the Tibetan autonomous region is part of the People's Republic of China”.⁴¹

It is difficult to envision any external challenge to China's rise in the international system that can only be tackled with a closer relationship with India. Its growth trajectory is likely to remain robust and steady at least in the near future. Nevertheless, it is important for India to close up its military and economic gap with China if a peaceful and fair resolution to the border dispute is to be obtained. India must prove to China that it has the deep pockets as well as the political will to compete with China in infrastructural development at the contested territories.

This is to deter China from thinking that it might be able to “outbuild” India eventually and hence conform to non-action for a strengthened bargaining hand at the negotiation table later. A military catch-up is also advocated so that the distribution of power would not be so asymmetrical

that China can unilaterally impose its preferred solution on India to end the border question. These are compelling reasons for India to develop its hard power, at least in the context of achieving a peaceful resolution on the boundary dispute.

There are also sensible options available for India and China to widen border cooperation. As argued earlier, it is important for these two countries to share a fixed perception of the LAC for effective bargaining to materialise. Disputant states must realise that apportioning of contested land, should it be carried out in a peaceful manner, must occur at the negotiation table and not through military incursions that unsettle the LAC. To discourage China from undertaking these revisionist means, India must establish a strong and veritable presence at its borders as well as respond in a vigorous manner that befits the extent of territorial encroachment.

A similar degree of toughness should also be portrayed by India to overcome the apparent deadlock over Tawang; while it appears that this tract of disputed land is highly salient to both countries, interests are in fact asymmetrical. China's claim to Tawang on the sole basis of religious affinity is hardly persuasive, while north-eastern India would be highly vulnerable to a Chinese attack if it loses Tawang.

India should recognise that the Chinese claim is not an inflexible position, but an attempt which began only in 1984 to seize as much land as possible in every sector. India has much to lose if it concedes Tawang; it must therefore defend its claim and its interpretation of the 2005 Agreement that any settlement cannot entail the relocation of settled populations until China relents.

At the intra-state level, astute political leadership can significantly affect the size of bargaining space. Public opinion in democracies can severely constrain the extent of cooperation if a particular compromise is perceived to be a sell-out of national interests. However, public sentiment can be managed by political leaders emphasising that the border talks revolve around technical issues which are better left to the experts to delimit boundaries.

The establishment of the JWG has been a step in the right direction—nationalist elements cannot hijack the process as they often lack the knowledge and patience to challenge experts who are the authority on boundary issues.⁴² The negotiation process can be further insulated from public opinion by keeping details of the talks secret, on the grounds that discussions are still “ongoing”.⁴³ This allows negotiators to have a freer hand in bargaining and reap greater gains from cooperation. For politicians, the problem of reaching an outcome that is acceptable to the public and the other negotiating party now becomes a relatively easier task of persuading the public and the legislature to accept a *fait accompli*.

Political leadership is also important for providing the necessary impetus and momentum to sustain the settlement process. Preference for a peaceful resolution must be translated into concrete action that helps to break the inertia of a prolonged standstill, as well as inspiring confidence in other parties that there is political commitment to see through the negotiation. This is well-exemplified by Indira Gandhi's government which resumed border negotiations in 1981 and institutionalised bilateral dialogues after a hiatus of almost two decades.⁴⁴ It would again take political resolve today to rejuvenate border talks after a lack of palpable progress since 2005, through continual exploration of possible options and the courage to seek a breakthrough.

In terms of bargaining strategies, India and China have been pragmatic in disaggregating issues and keeping a political settlement as a viable option. Nevertheless disputant states should be further discouraged from obstructive strategies that risk a breakdown in talks. For instance, China would often clothe its bargaining position in the form of rigid “principles” such that the other party would have to subjugate its interests and conform to it. To counter this strategy, there should first be the clear recognition that China can suspend these “norms and principles” if the attendant benefits are large.

The extent of benefits would then depend on how motivated China is in seeking cooperation and the concessions that would be offered. In addition, China has been aggressively extending its claims in all sectors. India should discern where China's real interests lie so that it would not end up paying a “price”—for instance Tawang—that is far above China's bottom line.

Conclusion

A peaceful resolution to the boundary question cannot emerge without conscious effort by both states. Neither is an amicable settlement easily attainable if there is a lack of clear directions. In today's academic literature there is no shortage of general theories and specific suggestions on how the border issue between India and China could be resolved; but how do we know which solutions are more feasible and what should be the appropriate course of action? This paper has attempted to answer the aforementioned questions. It analyses the India-China border dispute with a three-part framework of conflict resolution and highlights the crucial importance of acting in a period of China's regime insecurity from a position of strength. Subsequently the disputant states should endeavour to widen the range of cooperation in this dispute by having firm control over public opinion, their share of the disputed territories and the settlement process. Both states should eventually practise aggressive bargaining tactics that do not jeopardise the success of negotiations.

Nevertheless these recommendations are not “fail-safe”: past actions may not be a reliable indicator of future state behaviour if interests have changed, and contingencies may happen and render certain options ineffectual. Indeed, it is not an understatement to say that the way out is fraught with difficulties and uncertainties, but it is still an attractive enterprise considering the possible detrimental consequences of a stalemate in this issue.

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