# **ISAS Brief**

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ISAS Symposium on Modi's Visit to China - Paper IV

## A New Touch of Realism in Bilateral Talks<sup>1</sup>

The complex and chequered Sino-Indian relationship is entering a new phase following India's Prime Minister Narendra Modi's talks with Chinese President Xi Jinping in his hometown on 14 May 2015. While Mr Modi asked Beijing to "reconsider" its approach towards New Delhi, Mr Xi did not brush aside the India-story, as was evident from their agreement to regard both sides as "major powers".

## P S Suryanarayana<sup>2</sup>

In a first gesture of its kind towards a foreign leader, Chinese President Mr Xi Jinping chose his hometown of Xian, a city of historic importance, as the gateway for the official visit to China by India's Prime Minister Narendra Modi from 14 to 16 May 2015. Mr Xi not only greeted and held talks with Mr Modi at Xian but also accompanied him to the religious and

<sup>&</sup>lt;sup>1</sup> This paper on Sino-Indian political and strategic dynamics is based on the author's presentation at the ISAS Symposium on Modi's Visit to China – organised in Singapore on 11 June 2015. The Institute of South Asian Studies (ISAS) is an autonomous research institute at the National University of Singapore.

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secular sites of the city amid pomp and splendour. Mr Modi, for his part, sought to firm up the emerging all-weather dialogue between the two sides. Their demonstrated political will to engage each other diplomatically, even when there has been a surge of military tension along their disputed border as in 2013 and 2014, can be aptly described as all-weather dialogue. This is much more than a word-play on the Sino-Pakistani "all-weather partnership". However, even as the Xi-Modi summit talks were held in Xian on 14 May 2015, the state-run Chinese Central Television beamed an image which Indians recognised as a distorted map of India. The map appeared to delink the Indian states of Arunachal Pradesh as well as Jammu and Kashmir from India. In recent years, Beijing has been referring to Arunachal Pradesh as "southern Tibet" and, therefore, as Chinese territory. However, Indian maps depict the Chinese-administered "Tibet Autonomous Region" as China's territory, in line with New Delhi's rejection of Beijing's claims over Arunachal Pradesh. Against this background, Mr Modi did not allow this latest cartographic episode to derail his talks with Mr Xi - another sign of political will for all-weather dialogue. In that overall political ambience of clouded sunshine, Mr Xi told Mr Modi that China's iconic Mao Zedong had emphasised that, even in history, ten thousand years would be too long. Annotating Mao, Mr Xi said China and India should now "seize the day, seize the hour" in a bid to settle the long-standing Sino-Indian border dispute as "early as possible". In a sense, this reflected progress from the more-recent Sino-Indian preferences for just an "early settlement". Not to be outdone, Mr Modi insisted that it was time now for China to "reconsider"<sup>3</sup> its entire approach towards India. This marks the farthest distance that an Indian Prime Minister has gone in asking China to get real about its relationship with India.

China and India had agreed, a decade ago, to establish "Strategic and Cooperative Partnership for Peace and Prosperity". On this occasion, however, Mr Xi appears to have chosen not to make a ritualistic reference to this. He had already discarded a similar glorification of the 10year-old *Treaty* with Pakistan, China's much-fancied "all-weather partner". Significantly, though, he now saw merit in viewing India as a "major power in Asia and beyond". Surely, it is too early to judge whether India will continue to figure in such plumes in China's strategic calculus, going forward. But the two countries have now demonstrated political will to stay the course of their all-weather dialogue. Military confrontation along the disputed Sino-

<sup>&</sup>lt;sup>3</sup> Throughout this paper, details of the China-India dialogue are derived from the official accounts of the Xi-Modi conversation on 14 May 2015 and the Joint Statement issued on the following day.

Indian border in 2013 and 2014, anti-China protest by the Tibetan refugees in India in 2014, and the televised display of a truncated map of India as the virtual landscape for the Xi-Modi talks in May 2015, have not dampened such political will. In a sense, China's latest cartographic sleight-of-hand could be seen as an answer to the anti-China Tibetan protest that India had allowed in New Delhi during Mr Xi's visit there in September 2014. As for the non-lethal confrontations between the troops of China and India in 2013 (ahead of a bilateral summit) and in 2014 (at the same time as a bilateral summit), diplomatic and military-level talks helped defuse the tense crises. On both those occasions, India had first detected Chinese military "intrusions" into its side of the undefined Line of Actual Control (LAC) in the disputed border region. China, however, maintained that its soldiers were only operating on its side of the LAC; the confrontations on both occasions did not escalate into exchanges of fire, such non-lethality being the result of some ground rules already in place. In the event, the issues of "intrusion" were resolved satisfactorily in 2013 as well as in 2014. The helpful crisis-busting talks became possible under the canopy of a number of calibrated confidence-building measures (CBMs) that India and China had entered into since 1993.

#### 'Mutual and Equal Security'

By far the most prominent CBM in this architecture is the Border Defence Cooperation Agreement (BDCA). Clinched in October 2013, the BDCA is virtually a code of conduct aimed at preventing the escalation of military face-offs into exchanges of fire and even war. Against this background, Mr Modi and Mr Xi as well as Chinese Premier Li Keqiang have now agreed to activate a hotline between the military headquarters of the two countries. However, a final settlement of the border dispute – seen by both sides as a legacy of history, and the best means to gain strategic equilibrium – is possible only if "mutual and equal security", a principle already agreed upon, can be assured. This principle will, in effect, mean secure and defensible borders for both sides.

Contrary to conventional wisdom, the uniqueness of the China-India border dispute is that they have not felt compelled to resolve it despite their mutually-hurting stalemate that has already lasted several decades.

Mr Xi's "new Silk Road initiatives" of "one belt, one road" – designed to connect China to the West across the Eurasian land-sea domains – has the likely effect of suffocating India,

whether it is Beijing's intention or not. The feeder- and main-routes under these initiatives will have the effect of surrounding India on all four sides and providing China with dualusable civil-military routes, as will be clear from the following. Indeed, the western feederline through Pakistan, the eastern feeder-line of Bangladesh-China-India-Myanmar Corridor, Beijing's efforts to gain civil-military access to Sri Lanka in the south, and the main "belt" in the north will, together, help Beijing to surround India. A key point here is that the western and eastern feeder routes will give China access to the maritime spaces on both sides of peninsular India. In addition, China's link-up with maritime Sri Lanka will give Beijing access to India's southern flank. Such a Chinese calculus can potentially hurt India. Similarly, New Delhi can potentially hurt China through the latest US-India agreement to stabilise the South China Sea by diplomatic and other means.

### A Unique Cost-versus-Cost Calculus

In actual terms already, India's continuing hospitality to Dalai Lama, a global Buddhist icon and the rallying point behind the prolonged resistance to China's control over Tibet, has long been a source of annoyance to Beijing. At the other end of the spectrum, Beijing's decadeslong and continuing propping-up of an India-'fixated' Pakistan to distract and trouble New Delhi is well-chronicled, and requires no elaboration. Despite such a mutually-hurting stalemate, China and India have not moved towards rapprochement because of their high stakes for leadership in Asia and beyond. In these circumstances, I believe that a China-India settlement is possible only when they recognise that the costs of not resolving the dispute will outweigh the costs of settling it through a two-way compromise. Conceivably, such a situation is possible when China decelerates under its "new normal of [lower] growth [rates]" to a point where India can reach by accelerating its growth. In the meantime, it is best that the two sides allow their Special Representatives some elbow room to seek a settlement, given knotty issues such as China's claims over India's Arunachal Pradesh, and India's desire to regain areas now under Chinese and Pakistani control. The issue of China and India sharing their cross-border river-waters of the Brahmaputra (known as Yarlung Tsangpo in China) could, if unresolved for long, spill into the domain of the basic border dispute itself.

With the process of an "early" resolution of the border dispute having such a dynamic of its own, what does Mr Modi really mean by asking China to "reconsider" its approach towards

India? Foremost, he wants Mr Xi and Mr Li to recognise that New Delhi values its 'One India' universe as much as Beijing cherishes its 'One China' cosmos. The two sides have already agreed on a "closer developmental partnership" which translates, among other specifics, into Chinese investments in India's industrial parks and infrastructure avenues. However, neither side has spoken of any possibility that such investments could give China an economic stake in India's political stability far into the future.

So, while India can hardly dream of weaning Pakistan, central to Mr Xi's new "Silk Road" initiatives, away from China and vice versa, Mr Modi wants Beijing to treat New Delhi as an equal in global forums. This is evident from Mr Modi's raising such issues with Mr Xi, involving China's reservations, as a permanent seat for India in an expandable United Nations Security Council, and membership of the Nuclear Suppliers Group, among others. Given the current asymmetries in Sino-Indian comprehensive national strengths, which favour China, one could have expected Mr Xi to brush aside Mr Modi's India story. In the event, Mr Xi did recognise India's informal status as a nuclear-armed power and formal status as a space-faring nation. As a result, the two sides agreed to cooperate in Outer Space and the civil nuclear sector, besides seeking to coordinate their positions on climate-change issues. It will be a paradox, perhaps a pleasant one, if India and China move towards a scientific rendezvous in Space – before meaningful progress is made over their terrestrial border dispute.

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