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## SINO-INDIA RELATIONS: CONFLICT OR COOPERATION?

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Bilateral relations between two nation states, since the past few decades, have been caught in this debate of two binaries- "cooperation or conflict". Be it US-China, Russia-China or India-Pakistan, this binary has featured in numerous academic literatures, and India-China relations are no exception.

While on the one hand, the regional power India and the great revisionist power, China, are both increasingly capable of expanding their regional sphere of influences<sup>1</sup>; on the other, maintaining and increasing economic growth remains a top priority for both. The two fastest growing economies in the world, China and India, despite their inherent Hawkish and Dovish nature and their different ideologies, have lately been witnessing growing economic interactions, joint diplomatic exchanges and political cooperation on many international issues- be it climate change, Asian unity or the anti-West brigade.<sup>2</sup>

On the face of it, with growing ambitions, economies and increasing military capabilities, it seems highly likely that the Asian great powers would be heading for competition. In addition to it, there has always remained a considerable amount of friction between the two countries which would only continue, if not increase, in the foreseeable future.

The bilateral relations between the two nation states have primarily seen to be reactive, or rather adrift with no specific 'grand strategy' by either, with respect to the other. As David Malone, in his book "Does the elephant dance" puts it, "at best, it (the relations between the two) is geostrategic competition qualified by growing commercial cooperation".<sup>3</sup>

### **HISTORICAL EVOLUTION/PHASES OF SINO-INDIA RELATIONS**

Both the countries have had cultural and trade ties since at least 1<sup>st</sup> century onwards- be it the traditional Silk Road allowing for the economic and trade ties or culturally, the transmission of Buddhism, which is believed to have travelled from India to other countries, including, China.<sup>4</sup>

Beginning from this close connection, the history of Sino-India relations can be broadly divided into four periods or phases:<sup>5</sup>

#### **(I) 1950-1962**

The first period maybe characterised as a phase of '**Ideological Enthusiasm**' (Malone, David), marked by a strong solidarity between the two regional powers, as envisioned by India's first Prime Minister Jawaharlal Nehru, with respect to the Asian leadership.

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<sup>1</sup> Malone, David; "Does the elephant dance", *The Sino-Indian Relationship: Can the Two Tigers share a mountain?* (pp 146-149)

<sup>2</sup> Bagchi, Indrani "Stage set for great Sino-India ties", Times of India, New Delhi, March 13, 2005

<sup>3</sup> Malone, David; "Does the elephant dance", *The Sino-Indian Relationship: Can the Two Tigers share a mountain?* (pp 129-132)

<sup>4</sup> Pant V Harsh, "Indian Foreign Policy and China" ([https://idsa.in/system/files/strategicanalysis\\_hvpant\\_1206.pdf](https://idsa.in/system/files/strategicanalysis_hvpant_1206.pdf))

<sup>5</sup> Malone David, "Does the elephant dance", *The Sino-Indian Relationship: Can the Two Tigers share a mountain?*; and <sup>5</sup> Pant V Harsh, "Indian Foreign Policy and China"

The two countries were on friendly footing, with India even recognising the People's Republic of China in 1949 itself, and then establishing diplomatic ties with it the very next year (1950).

The same year i.e. 1950, despite China's military movement in Tibet, India opposed the US-sponsored attempt in United Nations Security Council, which wanted to label China as an aggressor in the Korean War.

While the issue of Tibet has started increasingly becoming a bone of contention, the Indian officials still went ahead in 1954 and acquiesced the Chinese domination and domain on Tibet.

The year 1954 also witnessed the signing of the famous **Panchsheel Agreement** which underlined five principles of peaceful coexistence as forming the basis of Sino-Indian bilateral relationship.

The principles, as laid down by the Panchsheel Agreement, have been laid out below:

- 1) Mutual respect for each other's territorial integrity and sovereignty
- 2) Mutual non-aggression
- 3) Mutual non-interference in each other's internal affairs
- 4) Equality and mutual benefit
- 5) Peaceful coexistence

Furthermore, both the nations felt a 'shared responsibility' in leading their newly-independent countries, and in the quest for peace and prosperity for not only Sino-Indian friendship, but also Asian-African solidarity and naturally the Asian peace.<sup>6</sup>

Both the countries also sought to build solidarity and at the same time, gain prestige among the third world countries. This, in practice, created competition between the two, mixed with the struggle for ideological leadership of the third world, resulting in strained relationships between the two.

Also, the Panchsheel agreement did not last long and soon the 'Hindi Chinibhaibhai' idea was brutally broken with border dispute escalating and leading to the infamous **1962 Sino-Indian war**.

## **(II) 1962-1976**

The second phase, which began with the 1962 border war, appears to be a time of '**Security Dilemma**'.(Malone)

Problems lied in essentially two areas:<sup>7</sup>

- a) North East Frontier Agency (NEFA), which the Chinese viewed as South Tibet
- b) Western sector, including Aksai Chin plateau, bordering Kashmir, Xiajing and Tibet

In 1961, India had launched an overtly confrontational 'forward policy', involving establishing military posts north of existing Chinese posts in 'disputed territories' in an attempt to cut off Chinese supply line. This approach by India was further strengthened in April, 1962, when China was reeling under the disastrous impact of the Great Leap forward programme of economic reforms, simultaneously facing threats from Taiwan.

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<sup>6</sup>Ganguly, Sumit "India and China: Border Issues, Domestic Integration, and International Security," in Frankel and Harding (eds)

<sup>7</sup> M. Taylor Fravel, 'Regime Insecurity and International Cooperation: Explaining China's Compromises in Territorial Disputes', International Security, 30/2 (Fall 2005)

In October, 1962, China attacked India on both the western as well as the eastern sectors. The Sino-India war ended after 31 days with a clear, comprehensive victory for China.

The war shattered Nehru's vision and claims of an Asian solidarity, and is continued to be considered a watershed moment for the Nehruvian idealism.<sup>8</sup>

Following the war, India's defence policy and military planning structure took a dramatic shift towards pragmatism, with a sharp rise in military expenditure.

The post-war period also saw India aligning with the Soviet Union, while China began developing close ties with Pakistan. Chinese proximity with Pakistan can be understood by the fact that China supported Pakistan in the 1965 war as well as the 1971 war (Bangladesh independence movement) against India by providing weapons and military assistance to them.

China did not shy away from even helping Pakistan in developing nuclear weapons.

Not only this, during the 1965 war, China even threatened to open a front with India on the Sikkim border.<sup>9</sup>

Meanwhile, China too had tested its nuclear weapons in 1964.

During 1971 Bangladesh liberation movement, both the US and China pressurised India to not intervene in Pakistan's internal affairs, leading to India moving further closer to the Soviets.

India and China, during this time, stood on the opposing ends of a global rivalry. At the same time, US-China rapprochement had begun which resulted in UN membership and UNSC permanent seat for China.

India tried responding to this its nuclear testing in 1974, and the annexation of Sikkim in 1975. This action and reaction only strengthened the security dilemma already existing between the two countries.

### (III) 1976-1998

This was a period of '**Tentative Rapprochement**'. (Malone)

It was only after almost two decades, in 1976, that a consulate was open in each other's country for the first time—something which may be seen as a first kind of practice of establishing any diplomatic contact with the other, post the 1962 war.

It was, however, only in 1988 when the then Indian Prime Minister Rajiv Gandhi visited Beijing, that a new leaf in Sino-Indian ties was reopened.

Prior to Gandhi's visit, in the year 1978, China also tried amending relations with India a little.

It made clear that it would not support any insurgencies in India's north-eastern states. China then also focussed on building its own economic strength and disentangling itself from any international conflicts.

These small, but significant efforts resulted in "**slow but real transformation**" in Sino-Indian relations.<sup>10</sup>

China also initiated a border dialogue process in 1981.

This, however, turned sour within a span of six years. A large-scale military stand-off occurred between the two countries in the eastern sector in 1986-87. New Delhi responded by changing the status of NEFA from a union territory to that of the state of Arunachal Pradesh.

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<sup>8</sup> Pant V Harsh, "Indian Foreign Policy and China"

<sup>9</sup> *ibid*

<sup>10</sup> Malone David, "Does the elephant dance", *The Sino-Indian Relationship: Can the Two Tigers share a mountain?*

This was followed by Rajiv Gandhi's visit in 198, which led to the signing of an agreement that aimed at achieving "fair and reasonable settlement while seeking a mutually acceptable solution to border dispute". The visit also led to the building up of a Joint Working Group to explore the boundary issues and examine solutions.

While this meeting reversed the decade-old stance that resolving border dispute was crucial for "normalizing of relations" between the two, it also saw members of Tibetan community residing in India admit to anti-China activities on Indian soil.

This meeting was later followed by diplomatic visits and exchanges during the 1990s leading to new agreements on cooperation.

It is pertinent to mention here that the decade of 90s was also the decade of liberalisation, globalisation and privatisation reforms in India, and both India as well as China was more focussed on economic development in their respective countries. These clearly required putting the border dispute aside, and emphasize only on developing, and in fact, strengthen economic, trade and commercial ties amongst themselves, and also with other states.

#### **(IV) 1998 onwards**

This time period, David Malone, characterises as an 'Age of Uncertainty'.

The year 1998 saw India becoming a threshold nuclear power with its testing of nuclear weapons (Pokharan II). In fact, just 10 days prior to the tests, India's then Defence Minister had declared China as 'number 1 threat'.<sup>11</sup>

China's reaction to the tests was interesting, to say the least.

While on the one hand, it reacted sharply diplomatically and didn't resume any relations with India, on the other, it did not press for sanctions like the US did. It was seen by many as a relatively subdued reaction, which resulted in rapprochement in the relations between the two rising economic powers.

Additionally, China's "neutrality" in Kargil war between India and Pakistan further strengthened their relations.

In 2003, Indian Prime Minister Atal Bihari Vajpayee's visit to Beijing also helped smoothening the bilateral ties. Both the nation states appointed special representatives to impact momentum on border negotiations; both the sides declared the other as not a threat, and both decided to hold joint naval and air exercises.

There were high level diplomatic exchanges, and relations between the two improved further.

While in 2005, China recognised Sikkim, 2006 was declared as the 'India-China friendship year', involving year-long exchanges of dignitaries and cultural events.

Cooperation also increased drastically in trade, opening of the Nathu La trading post, being one example. China became India's top trading partner.

Manmohan Singh's visit in 2008 to China further resulted in signing of the "shared visions on 21<sup>st</sup> century" declaration.

It's also crucial to note that both sides also shared mutual concerns:

- 1) International dominance of US
- 2) Threat of fundamentalist religious and ethnic movements in the form of terrorism
- 3) Need to accord primacy to economic development
- 4) International issues like climate change, trade negotiations, energy, global financial crisis

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<sup>11</sup> 'China is enemy no 1: George', Indian Express, 3 May 1998 ([www.indianexpress.com/old/ie/daily/19980504/12450024.html](http://www.indianexpress.com/old/ie/daily/19980504/12450024.html))

Both favoured a multi-polar world order, and agreed to work towards it. It is often argued that globalisation actually led to the convergence of Sino-Indian interests in at least economic realm.<sup>12</sup>

However, on the other hand, the Indo-US nuclear deal in the year 2008 did not go very well with Beijing, leading to straining of ties between the two countries.

Not only did China not support the Indo-US civil nuclear energy cooperation pact, it even tried to block India's membership to NSG (and continues to do so till date-- the most recent of its attempt to block NSG membership in 2016 and 2017 resulted in straining of ties between the two nation's diplomats and the media).

China further blocked India's application for loans to the Asian Development Bank for development projects in Arunachal Pradesh.

In fact, any action by India in Arunachal Pradesh (or South Tibet, as per Chinese claims) was vehemently opposed; China even denied visas to Indian officials belonging to Arunachal.<sup>13</sup>

More recently, China's continue bid to block India's NSG membership, the latest Doklam crisis, push for China-Pakistan Economic Corridor (CPEC), and its growing expansion in the South China Sea continues to put serious constraints in Sino-Indian relations.

The ties between these Asian powers are highly uncertain as China is trying to maintain a rough balance of power in South Asia region, and attempting to prevent India from gaining upper hand over Pakistan.

India, on the other hand, is in turn, trying to balance out or at least contain China from South Asia, attempting to decrease its influence in India's immediate neighbourhood.

This brings us to the broader elements in Sino-India relations, beginning from 1980 onwards, which continue to prevail all the more evidently in the present scenario.

## **FOUR BROAD ELEMENTS OF SINO-INDIA RELATIONS**

### **(1) ENGAGEMENT**

India's diplomatic ties with China, after the 1962 war, began for the first time in 1976 with the opening up of consulates in each others' territory, but primarily gained importance after Rajiv Gandhi's visit to Beijing in 1988 (as discussed earlier).

It is imperative to recall that 1980s, and then the decade of 90s was extremely significant for both China as well as India as far as economic development and growth is concerned.

This led to the policy of engagement followed religiously by both the countries- be it in trade, investment, commerce, people-to-people contact or different sectors of the economy- particularly manufacturing and the service and IT sector.

Bilateral relations between the two Asian powers have been categorically marked by cooperation, at least with respect to economy and commerce.

While China was looking for a trade destination, India provided a growing market, an opportunity for investment as well as manufacturing.

It is, however, true that economic ties with extra regional powers, like US for instance, also played a significant role in the overall trade in both countries. It was naturally not viable for the two fastest growing economies to not engage with each other.

As of now, China and India have over \$72 billion trade, and the target is set on \$100 billion.

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<sup>12</sup> Malone, David; "Does the elephant dance", *The Sino-Indian Relationship: Can the Two Tigers share a mountain?*

Moreover, engagement is no longer restricted to economic development. The field has widened and the present engagement policy of the two countries includes a variegated range of issues-- from health, education and development to science and technology and culture.

## **(2) STATUS QUO**

The present times, beginning from the decade of the 80s, require greater economic connectivity and closer ties for various considerations, particularly geo-economic and geo-strategic.

What this means in practice is that as far as the border dispute between the two countries is concerned, both China and India have to put aside their territorial concerns.

In other words, while China and India are engaging actively economically, and on a variety of other developmental and infrastructural issues, they will have to, and have continued to, maintain **status-quo position on their border disputes**.

Largely, it will not be too exaggerated a claim to make that both have somehow successfully managed to delink their territorial disputes, and instead, focussed on geo-strategic and geo-economic issues at hand.

It is important to note here that maintaining status quo position with respect to territory does not mean that no border skirmishes or standoffs take place. Clearly, Doklam is the most recent example.

Other issues like the frequent border skirmishes, raising issues about territory at global and regional forums and cancellation of visas to people from Arunachal Pradesh all have raised and re-raised the question of territory to some extent.

But the broader proposition still remains that both India and China have fairly been able to delink these concerns from making a serious dent on regular, particularly economic ties.

Furthermore, these issues, like the Doklam incident, for instance, point us towards the third element in Sino-India relations.

## **(3) BALANCE OF POWER (BOP)**

China has been increasingly seen to be balancing India, particularly in South Asia, to decrease India's influence in the region, making China the prominent player in the area.

China's BOP security strategy is also done owing to the growing Indo-US relations and US's strategy to use India in the same South Asia region to balance against China and its influence.

Take for example China trying to develop trade ties and increasing investment in Bangladesh. China has been interested in developing the Chittagong port in Bangladesh but as it was already overloaded, and Bangladesh was developing hydroelectric projects, China has now proposed to develop Sonadia port<sup>14</sup>-- continuing with its long-standing attempt to develop a sea port between China and Bangladesh.

The balancing approach can further be witnessed from the fact that India, during the UPA regime, announced a \$2 billion line of credit to Bangladesh, which was increased to a total of \$8 billion with Narendra Modi coming to power. In response, China announced a \$24

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<sup>14</sup>Islam, MdShafikul, "A deep sea port at Sonaida- prospects and possibilities," *The Financial Express*, September 20, 2017 (<https://thefinancialexpress.com.bd/views/a-deep-sea-port-at-sonadia-prospects-and-possibilities-1505918648>)

billion line of credit to Bangladesh for developmental issues and infrastructure advancement<sup>15</sup>.

China has also been investing highly in the ready-made garment sector in Bangladesh, even allowing for manufacturing to take place there, meanwhile, generating employment.

Being a resource-surplus country, having a \$3.5 trillion foreign reserve capital to invest, China is using the opportunity to give assistance to small countries in South Asia, like Nepal and Bhutan--- in turn, clearly and evidently balancing against India and its influence in the region.

Another glaring example is the China-Pakistan Economic Corridor (CPEC). China's "all weather friendship" with Pakistan has been quite open, and while China had always been giving militarily and economic support to Pakistan, CPEC would further be serving China's not only economic but geostrategic purpose in case a conflict breaks out between India and China, or even India and Pakistan.

China has been building ports, signing defence agreements, trade agreements and making huge investments in the countries of South Asia and South East Asia-- as a clear attempt to balance against India's regional power image and its influence.<sup>16</sup>

The recent tall claims by China with respect to South China Sea are also a clear balancing strategy.

On the other hand, India too is responding— sometimes overtly, at other times, covertly. It is taking measures to counter-balance China in some cases, and even balance China against its growing influence in India's neighbourhood, in others.

While China is coming to the periphery of India, India is also expanding its sphere of influence and going to China's neighbours -- be it Mangolia or Japan.

A small example of this was witnessed during recent visit of India's Prime Minister Narendra Modi to Mangolia, where he termed Mangolia as India's 'third neighbour'.<sup>17</sup>

If China is investing in Indian neighbourhood, India is doing the same with respect to Chinese neighbours. India, for instance, gave Brahmos missile to Vietnam.

Another strategy adopted by India to counterbalance the balancing strategy of China is going "global"<sup>18</sup>—the most significant of this is developing relations with extra regional powers, particularly the United States.

### **CONTAINMENT**

Very similar to the Balance of Power strategy, Sino-India relations are also marked by the policy of containment.

While String of Pearls is a stark example of how China is increasingly trying to contain India via the sea route, by developing ports all across the Indian Ocean; India, on the other hand, is attempting hard to create the Malaccan dilemma by developing Andaman and Nicobar islands and nearby areas (as over 90 per cent of trade by and with China is through the Malacca Strait, particularly the oil and energy imports).<sup>19</sup>

Going back to history, it would not be inaccurate to say that even the Pokharan II tests by India in 1998 can be considered as a containment strategy by India required at that time,

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<sup>15</sup>Paul, Ruma and Blanchard, Ben, "China to sign some \$24 bn in loans to Bangladesh as Xi visits", *Reuters*, October 14, 2017 (<https://www.reuters.com/article/bangladesh-china-idUSL4N1CJ3BS>)

<sup>16</sup> Smith M Jeff, "China India rivalry in the 21<sup>st</sup> century"

<sup>17</sup>News reports

<sup>18</sup> Pant V Harsh, "Indian Foreign Policy and China

<sup>19</sup>Caesor-Gordan , Matthew, "Securing the Energy Supply: China's Malacca Dilemma", *e-International Relations* (<https://www.e-ir.info/2016/02/26/securing-the-energy-supply-chinas-malacca-dilemma/>)

with China being the most prominent nuclear threat to India then (and even now) and Chinese growing regional influence from the Himalayas.

It is pertinent to mention here that the BOP and the containment strategies are quite similar, and are adopted by both the Indian as well as the Chinese side, at some point or the other. While balancing is more aggressive and outright 'attack' on the other, containment is a little more subtle.

In the present scenario, with the growing influence of extra-regional powers in South Asia, increasing US ascendance, and the uncertain nature of relations between India and China, containment is one strategy practiced masterfully by both the countries.

### **CONCLUSION:**

While there is clear competition between India and China, which has only increased over the last few years, over resources, trade, energy, investment and what not; along with an unresolved longstanding border dispute with neither China nor India willing to "compromise" on its territorial claim; an all out-conflict still seems unlikely.

It is important to point out that even under the existing clout of suspicion behind each other's every move, China and India have managed to come together on matters of mutual interest. And common interests are too high in the present times and the current globalised, inter-connected world.

Both the countries have stayed together, with little digression, and have put up a strong front against the policies of the Global North. This is particularly seen during the talks on climate change and other issues like agricultural subsidies, carbon emissions, unequal labour laws, arms control et al.

Both the Asian powers are endeavouring to increase their economic influence in the region, in addition to placing themselves at a reasonably secured and strategically advantageous position, so that they can exert political influence as and when required.<sup>20</sup>

With the change of events that shaped the present worldview, China is increasingly seen as a revisionist power, standing in opposition to the US unipolarity and hegemony; and for this, its expanding sphere of influence is but necessary for China.

Evidently, economic cooperation and bilateral political as well as socio-cultural exchanges between India and China are at an all-time high, this, however, has not done much to assuage their issues with rest to each other's intentions.

While the geo-economic and geo-strategic ties are strengthening, hostility too continues with an environment of cold peace existing between them. And it appears this cold peace, this uncertainty is here to last.

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<sup>20</sup>Raghavan, V R paper in IGNCIA titled "India-China relations : A military perspective"



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