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# India- China Relations: Polarizing Perspective

Working Paper: 02/16

Dr. Aruna Kumar Malik



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## **India- China Relations: Polarizing Perspective**

### **Introduction**

One of the greatest events in the first decades of the 21st century is the simultaneous emergence of India and China as economic powers. Indeed, China and India have become the twin engines for global growth today. The two Asian giants share much in common such as ancient civilizations, a colonial past, current challenges, and future potentials. However, since the 1960s the two nations have had a rocky, and sometimes explosive, relationship. What makes Sino-Indian relations so complex and difficult? What is the current status of the relationship? What can both sides do to improve the relationship? This paper examines major current developments in Sino-Indian relations and explores ways to further promote bilateral ties. The study suggests that despite impressive progress in their relations, the two countries still suffer from a deep-rooted trust deficit. To step out of the classic security dilemma and move the relationship to a higher level, the two countries need to translate their commitments into actions. The current trend of relationship is growing better than earlier.

### **Historical Perspective (1949 -1990)**

India and China are among the largest nation states in the world which having long history and rich civilizations. Both the countries are having agrarian societies. These two countries constitute almost one-third of the total population of the world and a major share of world economy. Attainment of independence in India, 1947 and the advent of communist regime in China, 1949 which were momentous events that afforded new opportunities for both countries to renew their age-old friendship. India and China started bilateral relations with a clean slate and forged a strong bond of friendship against imperialism, colonialism and to build Third World Solidarity.

Relations between India and China were so cordial and healthy during earlier fifties. This cordial relationship continued for a brief span of time up to 1959. In early 1960's the relations gradually declined because there were several factors responsible for it. These factors are such as the border dispute, cold war alignments, Tibet issue, and power asymmetry.

In August 1947, India was freed from the colonial rule of Britain and became independent country. Nehru became the first Prime Minister and

Foreign Minister of independent India. Two years later, in October 1949 the Peoples' Republic of China (PRC) was proclaimed with Mao Zedong as the Chairman and Chou En-Lai as the Prime Minister and Foreign Minister. During the period 1947 when India become Independent to 1964, when Pandit Jawaharlal Nehru passes away marked in modern Indian History as the "Nehru Era". Nehru's era was crucial period in the history of Sino-Indian relations marked with dramatic ups and downs. Chinese scholars usually divide into two main stages: Friendship Stage (1947-58) and Hostility Stage (1959-64). The Friendship Stage is further divided into Initiation Phase (1947-53) and Honeymoon Phase (1954-58). The Hostility Stage started in 1959 on Tibetan issue when a rebellion started against Chinese in Tibet and the Dalai Lama and his followers took asylum in India.

The Initiation Phase (1947-53) witnessed the beginning of friendship between India and China over several major historic events and issues. The Honeymoon Phase (1954-58) witnessed high points of Sino-Indian friendship in Nehru's era over many national, regional and international issues.

Nehru took positive and friendly attitude towards the PRC and made efforts to recognize and establish diplomatic relations with new China. On 30 December 1949, India formally declared severance of all its relations with the Guomindang or Kuomintang Government and accorded recognition to the new regime of the Peoples' Republic of China. On 1 April 1950, India and China established formal diplomatic relations. India became the second non-socialist country to establish diplomatic relations and appointed K.M.Panikar as the first Indian Ambassador to China. China and India established diplomatic relations between two countries which opened a new page of Sino-Indian friendship in the Nehru's era<sup>1</sup>.

### **Inclusion of PRC to the United Nations:**

After the founding of the People's Republic of China, the new Government of China requested UN to remove the representation of the Guomindang Government in Taiwan from the UN immediately and admit PRC in its place. Since then, India had consistently supported the admission of the PRC into the UN. In the Indian parliament, year after Nehru reaffirmed his

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<sup>1</sup> Shang Quany, "Sino-Indian Friendship in Nehru Era: A Chinese Perspective," China Reports, Vol.41, No.3, July-Sept. 2005, pp (237-238).

government's stand that the seat of China should legitimately go to that PRC AS Taiwan constituted a small part of China. In the Indian parliament, there was a general consensus among all parties in favour of government policy, as being the logical extension of its recognition of the PRC meanwhile. In January 1950, the Security Council debated and passed resolution by the USSR that asked Security Council members not to recognize credentials of the Guomindang representative whose presence in the Security Council is illegal. India was among the three members who voted in favour of the resolution. In July 1950, the Secretary General of Indian Ministry of External Affairs and UN representative informed to the USA State Department that the Government of India was of the opinion that the PRC must get a seat in the Security Council for world peace. Therefore, India was trying to persuade other members to vote for immediate admission of the PRC. In September 1950, at the General Assembly of UN the Indian delegate circulated a draft resolution calling for the seating of the PRC representative. Because of the pressures and obstacles from the USA, all the resolutions and plans to accord admission to the PRC were rejected. But the Indian Government consistently struck to its stand and continued to make efforts to get China seated in the UN.

### **The Korean Crisis:**

During the Korean Crisis (1950-53), Nehru and the Government of India took a just stand and lent support to the PRC, which strengthened Sino-Indian friendship. From the very beginning, India tried to use whatever influence it had to solve the Korean crisis in cooperation with China. When the Korean War broke out in June 1950, although India had endorsed the UN resolution condemning the North Korean aggression on South Korea and had also supported the UN intervention, it also expressed an earnest hope for a negotiated settlement of the crisis, for which, according to India, China's representation in the UN is necessary. In his appeal to Stalin and Acheson and also in his speeches in the Indian parliament, Nehru categorically expressed the view that China's entry into the must be conducive to the permanent solution of the crisis. When the UN passed the resolution in favour of crossing the 38<sup>th</sup> parallel, India opposed it and warned the USA that any advance across the parallel dividing North and South Korea might leads to China's entry into the war. When the UN forces cross the 38<sup>th</sup> Parallel and marched on to the Yalu river border of China, India condemned it. When PRC actually intervened in the Korean War in opposition to the UN forces and drove them back, India opposed the UN

resolution branding China as an aggressor. Speaking in the Indian parliament, Nehru called the resolution unwise in the context of on going efforts for a negotiated settlement. India also refused to participate in the UN General Assembly vote imposing an arms embargo on China and the North Korea. When the Korean War ended in 1953, at the insistence of China, India was made the chairman of the Neutral Nations Repatriation Commission. India's support to China and her role as a mediator in the Korean crisis was generally welcomed and appreciated<sup>2</sup>.

### **Friendly Exchanges:**

Despite some early dissension and controversy over certain issues, Sino-Indian relations continued to progress in a cordial manner and culminated in friendly exchanges. On 1<sup>st</sup> January 1951, the first rice-jute barter agreement was signed between India and China by which the later agreed to supply 50,000 tons of rice to the former, who in turn would supply 16,500 packs of jute. Beginning with this trade contract, an extensive friendly relationship was established between the two countries. A number of Sino-Indian Friendship Associations were set up in both countries and many cultural and other good will delegations were exchanged. The signing of an agreement between India and China on 22<sup>nd</sup> May 1951 by which the latter agreed to supply 40,000 tons of millet to the former (India), and the signing of yet another agreement between the two countries on 26<sup>th</sup> May 1952 by which China agreed to give 1,00,00 metric tons of rice to India. Three more barter contracts were also signed. Through six barter contracts, China though lacking sufficient food, supplied 666, 500 tons of grains to India the latter badly in need of food because of a serious famine. India news papers acclaimed China's supply of grain to be a manifestation of great friendship and spiritual nutrition<sup>3</sup>.

The Honeymoon Phase (1954-58) witnessed high points of Sino-Indian Friendship in Nehru's era over many national, regional and international issues.

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<sup>2</sup> Ibid. pp (238-239).

<sup>3</sup> Shang Quanya "Sino-Indian Friendship in Nehru Era: A Chinese Perspective", China Reports, Vol.41 No.3, July-Sept. 2005, pp 240.

### **Foreign policy continues with the Five Principles of Peaceful Co-existence:**

Perhaps, the high water-mark in the development of friendly relations between the two countries was reached on 29<sup>th</sup> April, 1954, when an Agreement with China on trade and intercourse between India and Tibet was signed. India gave up all the facilities and privileges enjoyed by British India in Tibet which the Chinese regarded as symbols of colonialism. The agreement on Tibet referred to the territory as “Tibet region of China” a some what ambiguous term which definitely implied that it was not just a normal part of China, but this was also the phrase the Chinese themselves were using. The preamble of the Agreement, the two countries re-affirmed they would abide by the five principles of peaceful co-existence.

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 co-existence.

An exchange notes dealt with matters relating to the withdrawal of Indian military escorts stationed in Tibet and the transfer to the Government of China of the post, telegraph and telephone services and the rest houses belonging to the government of India in Tibet. A joint statement issued two months later by Pandit Jawaharlal Nehru and Mr. Chou En-Lai re-affirmed the confidence of the two prime ministers in “the friendship between India and China which would help the cause of world peace and the peaceful development of their respective countries as well as the other countries of Asia<sup>4</sup>.

As a result Chinese Trade Agencies were retained in Yatung, Gyantse and Gartok. Travel regulations and trade routes for pilgrims and visitors from either country were also laid down. India withdrawn within six months its military escorts stationed at Gyantse and Yatung and handed over to China, on payment of compensation for the postal, telegraphs and public telephone services as well as the twelve rest houses owned by it in Tibet. But India

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<sup>4</sup> A. Appadorai, “Nehru’s China Policy in Perspective”(Ed) Virendra Grover International Relations and Foreign Policy of India, Vol (3),Deep and Deep Publications, New Delhi,1992,p52.



transferred “free of cost and without any compensation’ to the People’s Republic of China as gesture of Good will<sup>5</sup>.

Panchsheel was a great contribution to the Sino-Indian relations as well as international relations. Tibet Agreement or Panchsheel Agreement, a political rather than trade pact marked the beginning of a new phase in the Sino-Indian relations, i.e.the Sino-Indian honeymoon. While explaining the significance of the Agreement in the Lok Sabha, Nehru Said:

*“It is a matter of importance to us of course as well as I am sure, to China that these countries which have now almost about 1,800 miles of frontier should live on terms of peace and friendliness, respect each other’s sovereignty and integrity and agree not to interfere with each other in any way and not to commit aggression on each other. By this agreement, we ensure peace to a very large extent in a certain area of Asia. I would earnestly wish that, this area of peace could be spread over the rest of Asia and in deed over the rest of the World”.*<sup>6</sup> *The Prime Minister declared in the Lok Sabha that “India had no Political or ulterior interest in Tibet. We have no desire what- ever to interfere in Tibet, we have every desire to maintain the friendship between India and China, but at the same time we have sympathy for the people of Tibet and we are greatly distressed at their helpless plight. India could not remain unconcerned about political or other developments in Tibet”*<sup>7</sup>.

### **Indo-China Issue:**

With the end of World War II, France invaded Indo-China, i.e. Vietnam, Laos and Cambodia, attempting to reassert its colonial rule, which threatened peace in Asia. In April – July 1954, an international conference was held in Geneva to restore peace in Indo-China. China and India -the former was an official participant in the Geneva conference while the latter was not supported and cooperated in helping to solve the Indo-China issue. Zhou En-Lai in his speech at the conference in April 1954 expressed his deep regret that an important Asian Country such as India, was unable to participate in the same. Nehru, in his speech to the Indian parliament,

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<sup>5</sup> A.K.Dixit, “Perspectives on Indo-China Relations,” Cybertech Publications, New Delhi.,2006 P.7.

<sup>6</sup> Ibid p.p(2-3).

<sup>7</sup> Subhash C. Sarkar, “Indian Reactions to developments in Tibet” (Ed) Verinder Grover, International Relations and Foreign Policy of India, Deep & Deep Publication, New Delhi, 1992, P.451.

welcomed China's inclusion in the Geneva Conference. Though not an official participant India showed a deep concern for the Indo-China issue. As early as on 24 April 1954, Nehru made a declaration, putting forward a solution to the Indo-China issue. China lent support to Nehru's declaration by publishing the whole text in People's Daily and Speaking highly of it in a special editorial. In order to promote the peaceful settlement of the Indo-China issue, Nehru sent his personal representative Krishna Menon to Geneva, who played a significant role in promoting understanding between the representatives of the great powers during the Geneva Conference. Zhou En-Lai and Krishna Menon met five times, exchanged opinions. In July 1954 the armistice agreements between France and Vietnam, Laos and Cambodia were signed respectively. India was invited to be the Chairman of the International Commission of supervision and Control set up to the efforts of both countries in reaching the Geneva Settlement. The support and cooperation of China and India in the Indo- China issue promoted Sino-Indian friendship and enhanced its position in the World<sup>8</sup>.

### **Asian – African Conference:**

In April 1955, the first Asian-African Conference was held at Bandung, Indonesia. This was another international conference followed the Geneva Conference, in which PRC participated and was marked by the mutual support and cooperation of China and India. India was one of the five sponsors. China owed her participation in the conference to India. It was because of the insistence of Nehru, along with Prime Minister U Nu of Burma, that China was invited to participate in the conference. During the conference, Nehru introduced Zhou En-Lai to the delegates from other Asian and African Countries. Nehru and Zhou met and talked to each other very often. Nehru and Zhou shared the similar views on many matters. Nehru was strongly opposed to and got agitated over the statements made by the other delegates that communism was neocolonialism. Zhou En- Lai supported Nehru's idea of putting the five Principles of peaceful co-existence in the conference communiqué. Finally, under the concerted efforts by Nehru and Zhou and other delegations, a final communiqué was passed including declaration of the Ten Principles that endorsed Panchsheel. Bandung conference, the first conference was sponsored and participated by Asian and African Countries, without western presence which was a

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<sup>8</sup> Shang Quanya "Sino-Indian Friendship in Nehru Era: A Chinese Perspective," China Reports, Vol.41 No.3, July-Sept. 2005 p.241

milestone in promoting friendship and understanding between China and India, as well as maintaining national independence and world peace<sup>9</sup>.

### **Taiwan and Goa Questions:**

On the Taiwan and Goa Questions, China and India mutually supported each other. As far back as 1949, the PRC had declared its determination to liberate Taiwan occupied by the Guomintang government and other off-shore islands. In 1954, US entered into a mutual security pact with Taiwan and openly declared its intention to protect Taiwan and other off-shore islands. India consistently refused to accept the concept of two Chinas and never accorded recognition to the Guomintang government of Chiang Kai-Shek in Taiwan.

China, on its part, supported India's right to liberate Goa, if necessary, by force. As far back as 1950, backed by the US, Portugal refused to Continue talks with India on the Goa question and declared Goa as an integral part of Portugal. In 1951, the US and Portugal signed a military pact by which the US Converged weapons to Goa. In 1955, Nehru reiterated that Goa was an inseparable part of India and the government of India could not give up the right to resort to violence in the existing circumstances. In August 1955, gatherings were held in Beijing and Shanghai in support of India's struggle to take back Goa. Beijing Radio said that Lisbon's attempt to continue colonial rule in Goa, Daman and Diu constitutes an intolerable insult to the Chinese people, to the Indian people and to all Asian People. Six years later when India took Goa back by force, the Government of China declared her firm support to India's action<sup>10</sup>.

### **Mutual Visits:**

During the Honeymoon Phase, the mutual visits of high ranking leaders of India and China were very frequent and the cheers of '*Hindi Chini Bhai Bhai*' (Indians and Chinese are brothers) were heard here and there. There were exchange of state visits by the Prime Minister of China and India. Between June 1954 and January 1957 Chou En – Lai, the Chinese Premier paid four visits to India. During the recess of the Geneva Conference, Zhou

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<sup>9</sup> Ibid. PP (241-242).

<sup>10</sup> Ibid. p.242.

visited India for the first time. Prime Minister Nehru visited China in October 1954. The establishment of India-China Friendship Association, the visits of cultural delegations to and from China, visits of important personalities – Chou En -Lai and Madame Sun YatSen to India, Nehru and Radhakrishnan to China, the conclusion of trade agreements, the visits of sportsmen and artists, participation in industrial and cultural exhibitions, and the visits of technical experts evidenced growing friendship and mutual confidence between the two countries<sup>11</sup>.

### **Friendly Exchanges:**

In addition to the frequent mutual visits of high-ranking leaders of India and China, the official and un-official exchanges between Indian and China became increasingly extensive and intensive. Military exchanges included: the visit of the Indian Military delegation to China in September – November 1956; the return visit of Chinese Military delegation to Indian in January – March 1958; the visit of the Indian Navy Flag fleet to China in July 1958. Cultural exchanges included: the visit of Indian Cultural delegation to China in June-August 1955 etc. In all, in early Nehru's era, Sino-Indian relations were characterized by friendship and cordiality that started from an initial friendship and evolved into a honeymoon, and covered both bilateral and regional and international issues, involving mutual support and cooperation<sup>12</sup>.

### **The Tibet Problem and Sino-Indian Relations:**

Tibet was briefly conquered by the Mongols who established their rule over China during the Yuan Dynasty (1279-1368) and this region came under Manchu control in the eighteenth century. Both these foreign rulers of the Chinese Empire followed Tibetan Buddhism, the Mongols having brought it back to their homeland during the Yuan dynasty. The extent and nature of Chinese influence and control over Tibet is disputed, and it is ironic that in the years when Tibet was strongly linked to China, the Chinese themselves were under foreign rulers.

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<sup>11</sup> A.K. Dixit, 'Perspectives on Indo-China Relations', Cybertech Publications, New Delhi, 2006. P.5.

<sup>12</sup> Shang Qangu, "Sino-Indian Friendship in the Nehru Era: A Chinese Perspective," China Report, Vol, 41, No.3, July – Sept. 2005, pp (243-244).

At the time of British India, Tibet was regarded as a buffer state between India and China in which Britain was willing to intervene to protect British interests. At the Simla Conference in 1914 the British representative recognized Chinese suzerainty (control of foreign relations) but not sovereignty, over Tibet and Tibet was to be divided into Inner Tibet and Outer Tibet. Outer Tibet was to enjoy autonomy and China was to abstain from sending troops and civil or military officers there. No Chinese government since then has recognized the 1914 agreement but the turmoil and the disruption of civil war and Japanese invasion meant that until the CPC came to power there was very little Chinese involvement in Tibet<sup>13</sup>.

This agreement was duly signed by the delegates of both Tibet and Great Britain. Earlier in March 1914 during the period of Simla Conference, there had also been an exchange of notes between Tibet and British India with regard to the boundary between India and Tibet. The line came subsequently to be known as the Mac Mahon line after the name of the British plenipotentiary, Sir Henry Mac Mahon. Britain and Tibet agreed to regard this boundary agreement as binding on them<sup>14</sup>.

In 1950 the People's Liberation Army (PLA) of China clashed with Tibetan troops as the new government sought to reintegrate Tibet into the Chinese state. Indians including Nehru vociferously protested the invasion. Such actions indicated India's preference for continuing British policy towards Tibet. In 1954 China and India reached an agreement on Tibet which is known as Panchsheel by which India recognized it to be a region of China and China undertook to respect the religious and cultural traditions of the Tibetans.

The PRC could establish its full legal claims over Tibet only after Nehru recognized Tibet as part of China in 1954. Once this occurred, China then began to claim officially territory along the Indo-Tibetan border, using the provisions of the 1954 treaty as its rationale. In fact, China's claims are primarily based on Tibetan- not Chinese documents, which would be valid only if India recognized Tibet as part of China. Zhou En -Lai himself acknowledged this in a letter dated November 5, 1962, sent to Asian and

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<sup>13</sup> A. Z. Hilali, "China Geo-Political Environment and security perceptions", China Report, Vol.30, No.3, July-Sept 1994, P.320.

<sup>14</sup> A.K. Dixit, "-Perspectives on Indo-China Relations" Cybertech Publications, New Delhi, 2006. P.26.

African leaders concerning the boundary dispute, in which he cited only Tibetan evidence to support PRC Claims. In this letter he concedes that the names of rivers, passes, and other places in the eastern sector NEFA (Arunachal Pradesh) are in the Tibetan Language. Also the inhabitants of the middle sector 'are nearly all Tibetans and Tibetan archival documents indicate that the 'local government' had consistently exercised its jurisdiction over the Tibet-Sikkim border area. Zhou bases China's claims over Aksaichin by declaring that it was once a part of Tibet's Zinjiang and Nagari district. This is confirmed by Jagat S. Mehta, who was one of the Chief Indian representatives at the 1960 Indian and Chinese officials meeting on the boundary question<sup>15</sup>.

In 1959 there was a rebellion against the Chinese rule in Tibet and the Dalai Lama and many of his followers fled to India, where they still remain. The Chinese view India's hosting of the Dalai Lama and the Tibetan refugees as an obstacle to improved Sino-Indian relations<sup>16</sup>. The 1959 Tibetan revolt was much more than a contributing factor to the deterioration of relations. It was also a watershed in the bilateral relationship and one of the main cause of the 1962 Sino-Indian border conflict. An analysis of the implications of the Tibetan revolt to both parties in the context of the Panchsheel agreement will make this position clear. To the PRC, the revolt and alleged Indian involvement, as well as the Indian public's warm reception to the Dalai Lama, violated a cardinal principle of the 1954 agreement; non-interference in one another's internal affairs. Equally, the revolt revealed to India that despite Zhou En Lai's assurances, China did not respect Tibetan autonomy. Much more important, China's refusal to respect Indian border claims violated the Panchsheel Principle of respect for each other's territorial integrity. Therefore, the territorial dispute become one of the most contentious issue to face India and China is closely connected with Tibet<sup>17</sup>.

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<sup>15</sup> Dawa Norbu, "Tibet in Sino-Indian Relations, the Centrality of Marginality," 'Asian Survey, Vol.37, No.1. November, 1997, PP (1082-1083).

<sup>16</sup> A.Z. Hilali, "China: Geo-Political Environment and Security Perceptions", China Report, Vol.30. No.3 July-September, 1994. P.322.

<sup>17</sup> Dawa Norbu, "Tibet in Sino-Indina Relations, The Centrality of Marginality",Asian Survey, Vol. 37, No.11, November 1997, pp (1086-1087).

### **Sino-Indian Boundary Dispute:**

The boundary dispute between India and China tended to strain the relations between two countries. In fact, the differences regarding boundary disputes between the two countries first appeared in 1954 when the maps published in China that showed a large part of 50,000 sq.miles of Indian territories in Chinese map. When India brought this to the notice of Chinese authorities they argued that these maps were the copies of old pre-liberation maps and China had no time to revise it. However, there were, from July-August 1954, several border incursions by Chinese troops into Indian territory, causing concern to the Government of India. The nature of these three incursions; one in each of these three sectors of the northern boundary: the Aksai Chin in the western sector; Barahoti in the middle sector and Longju in the eastern sector.

Aksai Chin is a part of Ladakh, a part of the Jammu and Kashmir State of Indian Union. In 1955 China constructed a highway through the Indian territory of Aksai Chin. The Chinese claim that the Mac Mahon line (Aksai Chin) was established by British implication and is 'illegal' as China never accepted it and the boundary in the Western Sector (Aksai Chin) was never accepted by China. China claims approximately 50,000 sq.miles (36000sq. miles of territory in the Eastern Sector, south of the Mac Mahon line and 11,000 sq. miles in Ladakh including 2000 sq.miles occupied after 1962 War)<sup>18</sup>. In 1956-57 the road was built by the Chinese from Gartok towards Yarkand which is in Chinese Turkistan.

In July 1958, the Government of India received information that the Chinese troops had intruded the Ladakh region of Kashmir and occupied India's Khurnak Fort, arrested an Indian patrol party in Aksai Chin and made other incursions across Indian territory<sup>19</sup>.

Regarding these disputes between India and China cartographic contractions the Indian Prime Minister Pandit Jawaharlal Nehru wrote two letters to the Chinese Premier Zhou En – Lai. Zhou replied to these letters of Nehru in January 1959. In summary, his points were:

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<sup>18</sup> A.Z. Hilali, "China: Geo-Political Environment and Security Perceptions", China Report, Vol.30. No.3, July-September, 1994. P.320.

<sup>19</sup> A.K. Dixit "Perspectives on Indo-China Relations", Cybertech Publications, New Delhi, 2006, P.9.

1. The Sino-Indian boundary had never been formally delimited. That is, no treaty or agreement on the boundary had been concluded between the Chinese Central Government and the Government of India.
2. Boarder dispute exist between India and China and therefore it was unavoidable there would be discrepancies between their respective maps.
3. The Aksai Chin area was China's and had always been under Chinese Jurisdiction.
4. The Mac Mahon line had no legitimacy as an international boundary but China was likely to accept that alignment at the appropriate time and circumstances as it was doing in the negotiations with Burma<sup>20</sup>.

On receipt of the letter of Chou En-Lai, the Indian Prime Minister, Jawaharlal Nehru replied on 22 March 1959, mentioning there- in:

“It is true that the frontier has not been demarcated on the ground in all sectors but I am some- what surprised to know that this frontier was not accepted at any time by the Government of China. The traditional frontier, as you may be aware follows the geographical principle of watershed on the crest of the High Himalayan Range, but apart from this the then Government of India and the Central Government of China. It may perhaps be useful if I draw your attention to some of these agreements:

- i. **Sikkim:** The boundary of Sikkim, a protectorate of India, with the Tibet region of China was defined in the Anglo-Chinese Convention in 1890 and jointly demarcated on the ground in 1895.
- ii. **Ladakh Region of the State of Jammu and Kashmir:** A Treaty of 1842 between Kashmir on the one hand and the Emperor of China and the Lama Guru of Lhasa on the other, mentions the India and China boundary in the Ladakh region. In 1847 the Chinese Government admitted that this boundary was sufficiently and distinctly fixed. The area now claimed by China has always been depicted as part of India on official maps, has been surveyed by Indian officials and even a Chinese map of 1893 shows it as Indian territory.

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<sup>20</sup> S.Singh, “India and China – Mutual Relations”, Anmol Publications, New Delhi, 2006. pp (108-109).



- iii. **The Mac Mahon Line:** As you were aware, the so called Mac Mahon line runs eastwards from the eastern borders of Bhutan and defines the boundary of China on the one hand and India and Burma on the other, contrary to what has been reported to you, the line was, in fact drawn at a Tripartite Conference held at Simla, between the plenipotentiaries of the Government of China, Tibet and India. At the time of acceptance of the delineation of this frontier, Lonchen Shatra, the Tibetan plenipotentiaries, in letters exchanged, stated explicitly that he had received orders from Lhasa to agree to the boundary as marked on the map appended to the convention. The line was drawn after full discussion and was confirmed subsequently by a formal exchange of letters; and there is nothing to indicate that the Tibetan authorities were in any way dissatisfied with the agreed boundary. Moreover, although the Chinese plenipotentiary at the conference objected to the boundaries between inner and outer Tibet and China, there is no mention of any Chinese reservation in respect to the India-Tibet front either during the discussions or at the time of their initiating the convention. This line has the incidental advantage of running along the crest of the High Himalayan Range which forms the natural dividing line between the Tibetan plateau in the North and the sub-mountainous region in the South. In our previous discussions and particularly during your visit to India in January 1957, we were gratified to note that you were prepared to accept this line as representing the frontier between India and China in this region and I hope that we shall reach an understanding on this issue.

Thus, in these three different sectors covering much the larger part of our boundary with China, there is sufficient authority based on geography, tradition as well as treaties for the boundary as shown in our published maps. The remaining sector from the tri-junction of the Nepal, India and Tibet boundary up to Ladakh is also traditional and follows well defined geographical features. Here, too the boundary runs along well-defined watersheds between the river system in the south and the west on the one hand and east on the other. The delineation is confirmed by the old revenue

records and maps and by the exercise of Indian administrative authority up to the boundary line for decades”<sup>21</sup>.

Sino-Indian friendship, however, was terminally wounded in the autumn of 1959 when China and India fought their first border war in Longju, then in Kongka Pass, and was finally laid to rest in 1962. India launched Operation Onkar, a plan to establish military posts along the Mac Mahon line. This plan had been completed by July 1962.

On August 25, 1959 Chinese troops crossed the Mac Mahon line in the North Eastern Frontier Areas (NEFA) and exchanged fire with Indian troops already stationed at Longju. India reported one soldier killed and a dozen wounded. Although the Indian and Chinese versions of the Longju incident differed, it was clear that this incident soured the relations. Interestingly, in this incident China did not make any official claim regarding the Mac Mahon line or the Ladakh area.

Two months later the Chinese troops exchanged fire at the Kongka Pass and both sides suffered. On 26 September 1959 Chinese Premier Zhou En -Lai made an official claim that the Mac Mahon line was illegal and invalid and claimed that international boundary was below the mountains<sup>22</sup>.

Nehru and Zhou met in New Delhi from 19 to 25 April 1960. However, the deadlock continued, as neither side was willing to budge from its position; the drift towards war continued unabated<sup>23</sup>.

During 1960-62, Chinese soldiers made repeated incursions into Indian territory and clashed with Indian border guards. China used its infantry, artillery and tank units on the Indian border in preparation for a large scale aggression on India in the year 1962. The Chinese leadership was only trying to gain time to prepare itself and, therefore, Chinese leadership used

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<sup>21</sup> Daljit Sen Adel, “China and Her Neighbours”, Deep & Deep Publications, New Delhi, 1984, pp. (32-34)

<sup>22</sup> S Singh “India and China: Mutual Relations”, Anmol Publications, New Delhi, 2006, P. 102.

<sup>23</sup> WPS Sindhu and Jing Dong Yuan, “China and India Cooperation or Conflict”, India Research Press, New Delhi, 2003, P.14

all methods to make false accusations against India so as to find a pretext to justify its later actions<sup>24</sup>.

### **The Sino-Indian War 1962:**

India and China have been at Logger heads on the question of their common borders since the mid-fifties. Talks between the two sides through the fifties produced no agreement and eventually led a full-fledged border war on October 20, 1962. Beijing sought to give it on ideological twist. Nehru had now become a reactionary pursuing an expansionist policy and serving the interests of world imperialism headed by the US – so ran the Chinese propaganda. The soviets made one last effort to bring a reconciliation and persuade Chinese leadership to send Zhou En-Lai to India in response to a rather lukewarm invitation from New Delhi.

The two sides had already taken irreconcilable positions and with the Chinese making an ideological issue of the border dispute, there was little chance of a give-and-take policy on the border issue. The Indian opinion was already highly inflamed with the media in full cry about India's "honour" and "respect" the whole atmosphere hardly served any other purpose than harm stringing Nehru<sup>25</sup>.

Nehru wrote to the USA President John F. Kennedy for immediate and large-scale assistance to meet the Chinese threat. The Chinese objectives were limited. They wanted to 'teach India a lesson' undermine Nehru's image and India's non-alignment and to demonstrate to the world that who was the stronger power. Despite some mistakes, Nehru kept his head and did not allow a pure border dispute to degenerate into an ideological confrontation which was what Beijing wanted. Consequently, it become an unprecedentedly rare situation in which heads of both the rival blocs -USA and USSR found themselves on the same side. Mr Khrushchev, the USSR president made it clear that he did not agree with Mao's argument that Nehru started the war to please the Americans and had joined the imperialist camp. To make his position quite explicit he signed with India an agreement for the sale and production of MIG fighters<sup>26</sup>.

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<sup>24</sup> Daljit Sen Adel, "China and Her Neighbours", Deep & Deep Publications, New Delhi, 1984, p.36

<sup>25</sup> V.P.Dutta, "India's Foreign Policy since Independence", National Book Trust, New Delhi 2007, pp. (29-30).

<sup>26</sup> Ibid, pp (29-30).

The Chinese attacked in all three sectors of the border, but with the main thrust in the NEFA and Ladakh areas. India was not at all prepared for such a scale of war. China's rapid advance, supported by a well established line of supplies and communications, gave further credence, that China was fully prepared, and had chosen its own moment to strike. It was China that first launched the offensive, with infantry and artillery. India's retaliation to the Chinese offensive was weak, uncoordinated and poorly planned. It proved disastrous. Almost every where Indian troops, wholly unprepared for mountain warfare outnumbered and outsmarted, were demoralized. Within less than four weeks, the PLA of China gained occupation of the territory which it claimed in Ladakh and NEFA areas, leaving Indian army in tatters<sup>27</sup>. Due to tremendous international pressure and forfeit of advancing deeper into better populated Indian territory which would have been much more difficult to hold, China declared unilateral cease fire on 20<sup>th</sup> November, 1962 and withdrew behind the Mac Mahon line in the NEFA sector<sup>28</sup>.

The Indian government objected vehemently, but there was little it could do except appeal for a withdrawal and a reversion to the status quo ante. Although the war did not change the status quo of the border, for all intents and purposes India had lost the war and was forced to accept both territorial loss and national humiliation on a grand scale.

In December 1962 the Prime Minister of Ceylon, Srimavo Bandarnaike, convened a six-nation Afro-Asian conference in Colombo to bring China and India back to the negotiating table. This conference produced a series of proposals which were more or less acceptable to India. However, China, while accepting in Principle the Colombo proposals, insisted that India should also withdraw its troops twenty kilometers from the disputed border areas in both the western and eastern sectors. Beijing, worried that the proposed cease fire line and de-militarized zones might be regarded as de facto boundaries, rejected them as a basis for negotiation. Subsequently, China and India broke off all bilateral relations, and it would be another two

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<sup>27</sup> S.Singh, "India and China: Mutual Relations" Anmol Publications, New Delhi, 2006, Pp (120-121).

<sup>28</sup> Sri Prakash, "India-China Relations: A Comparative view of the 1950 and early 1990s," India Quarterly, Vol 52, No (1 & 2) Jan-June, 1996, p.12.

decades before they resumed negotiations on the border<sup>29</sup>. India's short-lived honeymoon with China had come to a bitter end.

China's motives for invading the Indian Frontier on October 20, 1962 are still a prime subject for speculation around the world. Most observers of the Sino-Indian scene seem to be agreed that the Chinese had at least two basic objectives: (1) Military – The capture of strategic ground, particularly in the Ladakh area where the Chinese had quietly built a vital highway across disputed territory; and (2) Political- The weakening of India and the disruption and compromise of the Nehru governments influence among developing nations whose destinies Beijing seeks to dominate<sup>30</sup>. The other objectives are:

- i. Intent on showing to the world the effectiveness of their own system of government and economic development, China wanted, by an attack on India, to thwart the plans of India's economic development, and to discredit her democratic structures.
- ii. China wanted to show to the USSR in particular that India's non-alignment was a myth, that India was in reality a camp followers of the west and that, therefore, the Soviet Union's Policy of befriending non-aligned India was a mistake<sup>31</sup>.

### **Impact of Sino-Indian Border War:**

The Chinese invasion gave a serious set back to Sino-Indian relations as well as the prestige of India. The position of India greatly undermined in the eyes of Asian and African nations. It encouraged Pakistan to think of forcing a military solution of Kashmir in India. It gave a serious setback to the Indian development programmes because the country was forced to divert extra funds for the defence of the country. Above all, the war made India more security conscious, and united the people against a common cause of defending the country.

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<sup>29</sup> WPS Sindhu & Jingdong Yuan, "China and India: Cooperation or Conflict" India Research Press, New Delhi, 2003. P.15.

<sup>30</sup> John W. Lewis, 'China's invasion of the Indian Frontier; The Frame work of Motivation" (Ed) King C. Chen, "The Foreign Policy of China" Selton Hall University Press, 1972, P. 466.

<sup>31</sup> A.K.Dixit, "Perspectives on Indo-China Relations", Cybertech Publications, New Delhi, 2006, P.37.

China saw India as a political rival in the Third World and constantly tried to denigrate her in Afro-Asian forums. Even more serious from India's point of view was the assistance extended to insurgency India, whether they were hostile elements like the Naga rebels or Marxist- Leninist groups on the trail of the Maoist type of revolution in India. The rebel Nagas were given training in arms and provided with weapons and funds to carry on armed rebellion in India. Beijing also, in its propaganda would have the world believe that India was going through an acute revolutionary phase and extended vociferous support to the Naxalite Movement which was waging an armed revolution on the pattern of the Chinese revolution acknowledging Mao as their leader<sup>32</sup>.

### **The Sino-Indian War and its impact on International Relations:**

In the post- 1962 period, three international developments in particular determined the course of Sino-Indian relations. First, the growing rift between the Soviet Union and China, which began over ideological differences, quickly deteriorated into a state of animosity between the erstwhile communist allies. Moscow charged Beijing with irresponsible radicalism that could result in open military confrontation between the socialist and capitalist camps, whereas Beijing accused Moscow of betraying the revolutionary principles in search of peaceful co-existence with the capitalist United States. So a communist cold war ensued after ward, and it was not until the mid-1980s that the two countries normalized their relations.

Second, the Sino-Soviet rift coincided with not only the evolving Indo-Soviet partnership, which was embodied in the Friendship Treaty signed between the two countries in 1971, but also with the emerging US-China rapprochement, which resulted in the secret visit by president Richard Nixon's national security advisor, Henry Kissinger to Beijing in 1971.

Third, the Sino-Pakistan relationship, which had not been significant until 1960, began rapidly develop into a strategic and anti -India axis even as New Delhi's relations with both Beijing and Islamabad deteriorated<sup>33</sup>.

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<sup>32</sup> Sri Prakash, "India-China Relations: A Comparative view of the 1950 and early 1990s" India Quarterly Vol 52, No (1 & 2) Jan-June, 1996, p.13.

<sup>33</sup> WPS Sindhu & Jing Dong Yuan, "China and India: Cooperation or Conflict" India Research Press, New Delhi, 2003, Pp (18-19)

### **Sino-US-Pak Axis:**

The 1962 war which could have been avoided, ultimately resulted in India-China enmity; an enmity exploited by Pakistan and the US, as predicted by Nehru in 1950. The Kautilyan dictum “your enemy’s enemy is your friend” – was put to practice by China and Pakistan. China began to cultivate Pakistan as a political military counter to India. By the end of the 1960s Chinese perceptions changed, the Soviets were seen as a greater threat to China. With the help of Pakistan, China built a policy of rapprochement with the USA. The Sino-US-Pak cordiality changed China’s ideological stance. The development of Indo-soviet friendship during this time further strengthened the Sino–US-Pak cordiality. The improvement in Sino-US relations also assured China that the US would not use Tibet to destabilize China. Further, it also became clear to China that the US would not have any strategic relations with India, which if it happened that could be detrimental to China. Sino-Indian relations after the 1962 war facilitated the concept that “the balance of power in major third world regions and within developing countries must remain on the whole stable. It must be favourable to the USA. India’s independent policy of non-alignment was seen as assertion against the USA ‘policy of global polarization’. The Sino-US cordiality not only altered the course of the cold war, but also enforced most of the non-aligned nations to align with one super power or the other<sup>34</sup>. In the changed circumstances China’s using Pakistan against India seemed to have received the tacit approval of the USA. This would keep the sub-continent in a state of tension, thereby making it conducive to outside interference, and prevent the emergence of a regional power in South Asia. The origin of this policy can be traced to the first document signed between China and the US in 1972 in Shanghai under the leadership of Zhou En-Lai and Richard Nixon. It also helped both the USA and China in preventing India from tilting towards one of them. The Chinese were fully conscious of the fact that their biggest ally of the present, the USA could become a rival in the future and they expected the US to use India to counter balance China. Corresponding, the USA too wanted to keep India and China apart as a stable Sino-Indian equation on the regional plane and on some global development issues would upset its dominant position. The US, through its

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<sup>34</sup> Venugopal B. Menon, “India-China Relations, Critical Issues,”(Ed) Rajen Harshe & K.M.Sethi “Engaging with the World: Critical Reflections on India’s Foreign Policy,” Orient Longman, New Delhi, 2005, p.162.

involvement with China can prevent Asia's three large land masses – China, Russia and India from coming closer. The 'strategic accommodation' of China helps the USA to play a major role on a global scale. Such an alliance in Asia helps the USA to counter India's independent policies, which pose a threat to its strategic interests both in the region and the world at large<sup>35</sup>.

Another important legacy of the 1962 war was the momentum which provided China's relations with South-Asian Countries. Besides Pakistan, Beijing began to promote, through military cooperation, one neighbour after another against India, in view of India's differences with these countries. By cultivating such relationships against India, China seems to be pursuing the ancient Chinese military strategic perception – to win without fighting is the best. China, by using Pakistan against India, is emulating USA policy in West Asia.

The Sino-US-Pak alliance has contributed to instability in the region and Pakistan has utilized the Sino-US nexus to hurt India. As a result of this nexus, the gap between the two South Asian countries has not only widened, but also contributed to the hardening of the Kashmir dispute over the years. American calculations are that maintaining Indo-Pak rivalry would prevent the emergence of regional threat to the US and provide an opportunity for Washington to assume a role in the region<sup>36</sup>.

### **Post-War Sino-Indian Relations:**

The border conflict in 1962 completely immobilized and freeze Sino-Indian relations to a point where the chief element in the policy of each country appeared to be isolated from the other. Even the Ambassadors were withdrawn, so that diplomatic relations were maintained at the minimum possible level. Relations between the two countries for a number of years were characterized by open hostility.

With the deterioration of Sino-Indian relations after the war, the Indian government radically revised its stance on Tibet. It supported the Tibetan cause in the 1960s both openly and clandestinely; in 1963 the special frontier force, code named 22, was established to train able-bodied young Tibetan refugees. In 1965, the Indian delegate openly supported the UN

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<sup>35</sup> Ibid, P.163.

<sup>36</sup> Ibid, P.164.



resolution on Tibet for the first time since 1950 and in the same year Prime Minister Lal Bahadur Shastri was expected to recognize the Tibetan government in exile, but he died suddenly and Indian politics took another twist of their own<sup>37</sup>.

On 2<sup>nd</sup> March 1963 the Government of India protested against the agreement signed by the government of China and Pakistan on the alignment of the border between China (Shinkiang) and that part of the Indian Union territory of Jammu and Kashmir which have been unlawfully seized by Pakistan. The government of India made it clear that Pakistan had no common border with China and the agreement with China and Pakistan to locate the line of the boundary in Kashmir was proof of the Chinese design to exploit the differences between India and Pakistan to their advantage and to incorporate unlawfully part of Indian territory in Kashmir by conceding Pakistan the other area of Kashmir forcibly occupied by Pakistan.

A boundary protocol was signed between Pakistan and China on 26<sup>th</sup> March 1965 setting up boundary pillars. On 7 April 1965 the Government of India strongly protested against the signing of the boundary protocol<sup>38</sup>. Subsequently, during the 1965 Indo-Pak War, fought primarily over Kashmir. China sided with Pakistan. During the war Beijing accused India of building a military structures in Tibet and issued an ultimatum to New Delhi to dismantle these structures. China also reportedly warned India that it would intervene if New Delhi attacked East Pakistan (Bangladesh). After the war and for the next two decades, China became the primary arms supplier for Pakistan<sup>39</sup>.

It was only after the 1962 hostilities with China that mountain divisions organized to operate in India's northern border were raised and the strength of the Army according to the Military Balance, London, went up to 9, 00,000 in 1970. But before 1962 war it was about 5, 00,000. Far from preparing any war with China, India had spurned all offers from the west to join military pacts like SEATO or CENTO and was actively developing the

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<sup>37</sup> Dawa Norbu, "Tibet in Sino-Indian Relations: The Centrality of Marginality", Asian Survey, Vol.37, No. 11, November, 1997. p. 1091.

<sup>38</sup> A.K.Dixit, "Perspectives on Indo-China Relations", Cybertech Publications, New Delhi, 2006, p.47.

<sup>39</sup> W.P.S. Sindhu and Jing dong Yuan, "China and India, Cooperation or Conflict" India Research Press, New Delhi, 2003, P. 19.

policy building up the Non-aligned movement by spreading its policy of non-alignment among Third World Countries<sup>40</sup>.

During the 1971 war between India and Pakistan which led to the birth of Bangladesh, Sino-Pak cooperation was evident at both the diplomatic and military levels. In April 1971 when an Indian backed guerrilla movement began in East Pakistan, China protested against India and Zhou assured Pakistan's military dictator, General Yahya Khan, that should the Indian expansionists dare to launch aggression against Pakistan, the Chinese government and people will always, firmly support the Pakistan government and people in their struggle to safeguard state sovereignty and national independence. Significantly, the statement made no reference to the 'Unity and Integrity' of Pakistan. This statement by Zhou coupled with the news of Kissinger's secret visit to Beijing in July 1971 was the primary factor that prompted India to sign the Indo-Soviet friendship treaty on 9 August 1971<sup>41</sup>. In November 1970 Pakistan former Foreign Minister and leaders of Pakistan People's Party (PPP), Z. A. Bhutto visited Beijing to get military support. Although China did affirm its support to Pakistan in a statement, no joint declaration was issued, which indicated that Bhutto had failed to get an explicit Chinese military guarantee. However, Beijing was more than willing to support Islamabad diplomatically. Soon after China took its seat as one of the five permanent members of the UN Security Council in November 1971. Beijing's first resolutions, following the Indian military intervention in East Pakistan on 3 December 1971 was to condemn India and call for a ceasefire and the withdrawal of forces. The Soviet Union vetoed the Chinese resolution and sparked a so-called veto war: Moscow exercised the veto two more times during the course of war, whereas China used its veto to block an invitation to an East Pakistan representative to address the Security Council<sup>42</sup>. After the brutal assassination of Sheikh Mujib Rehman and his family in August 1975, China subsequently supported for the more extreme demands of Bangladesh on the sharing of the Ganga Waters, and its acceptance of Nepal's proposal to declare itself a separate peace zone, were viewed unfavourably by the Indian Government. China's denunciation of India's belated integration of Sikkim into the Indian Union in 1975 as an "illegal annexation" and its refusal to

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<sup>40</sup> Sri Prakash, "India-China Relations: A Comparative Views of the 1950s and Early 1990s", *India Quarterly*, Vol.52, No. (1 & 2) Jan-June 1996, P.11.

<sup>41</sup> W.P.S. Sindhu and Jing dong Yuan, "China and India: Cooperation or Conflict," *India Research Press*, New Delhi, 2003. P. 19.

<sup>42</sup> *Ibid.* P.20.

acknowledge India's special advisory role in the external affairs of Bhutan, that gave further proof of China's challenge to India<sup>43</sup>.

### **Towards Normalization of Relations:**

In the early seventies India took initiative for holding bilateral relations with China but India did not evoke corresponding response from China. The second half of the seventies witnessed momentous, when change takes place at the domestic level both in India as well as in China. After the death of Chairman Mao Zedong the new leadership came under Deng Xiao-Peng in China, embarked on ambitious programme for modernization and economic development. During that period China badly needed a peaceful external environment. Thus, China resolve to pursue an independent foreign policy for peace and friendship in order to promote Stability in the world in general and to normalize relations with neighbours in particular<sup>44</sup>. In April 1976 both countries had decided to upgrade their diplomatic relations at ambassadorial level, however came in the Spring of 1976, the government of India announced its decision to restore full diplomatic relations with People's Republic of China and designated Mr. K. R. Narayanan as its ambassador to China. This was a bold Indian move for giving a sound opening to the process of India-China normalization. Beijing reciprocated by appointing ZhaoYuan as Ambassador to India. Mrs. Gandhi's gesture of personally signing the book condolences on the deaths of Zhou En Lai and Mao Zedong received approbation in the Beijing press. So it was her message of sympathy and she offered assistance to the victims of China's disastrous earthquake<sup>45</sup>.

In India a new government headed by Prime Minister Moraraji Desai was in office in March 1977. The Chinese asked the Romanian President, Nicolae Ceausescu to relay the message that Beijing wanted to improve relations and was prepared to hold talks on border issues. This probe was reciprocated when the Indian Prime Minister, Moraraji Desai, indicated during his visit to Washington in June 1978 that 'India is ready sometimes in the future, to recognize the present frontier as the Indo-Chinese

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<sup>43</sup> Surjit Mansingh, "India's Search for Power: Indira Gandhi's Foreign Policy (1966-82)", Sage Publications, New Delhi, 1984, p. 244.

<sup>44</sup> Faisal O Al-Rfouh, 'Sino-Indian Relations: from Confrontation to Accommodation (1988-2001)' Vol. 39

<sup>45</sup> Surjit Mansingh, "India's Search for Power: Indira Gandhi's Foreign Policy (1966-82), Saga Publication, 1984. p.

boundary, and that India would not demand the return of territory seized by China between 1957-62’.

These initiatives were taken, despite dire warnings from Soviet Premier Alexei Kosygin. In a way, the Desai- led Janata government wanted to distance itself from the Soviet Union by seeking improvement of relations with China. The post-Mao Chinese leadership, in turn, had similar interests. One consideration was that Beijing recognized that the Indo-Soviet Friendship was closely linked to Sino-Indian enmity and, therefore, that the improvement of Sino-Indian relations would serve to distance India from the Soviet Union. At the same time, USA military defeat in Vietnam and the reduce US presence in South Asia created a power vacuum by stabilizing Sino-Indian relations, Beijing hoped to frustrate Soviet attempts to encircle China<sup>46</sup>.

India continued to reiterate its desire to work for removing irritants in order to tackle mutual problems in a climate of mutual respect and dignity, but stressed that resolution of the boundary question – a complex and politically vital issue, which was central to the restoration of confidence and full realization of normalization between the two countries. China maintained, on the other hand, that the boundary question was a complex one bequeathed by history and efforts needed to be improved bilateral relations that seeking common ground and reserving differences. In turn, this would generate a favourable atmosphere for the resolution of the dispute when time would be ‘ripe’ for its settlement<sup>47</sup>.

The Chinese Foreign Minister Huang Hua invited the then foreign minister of India A.B. Vajpayee in the year in 1979. In response to his invitation the government of India sent Mr. Vajpayee to China, which was indeed difficult and delicate mission for India. It was also not withstanding the optimism generated by the prospects of the high level meeting between the leaders of the two countries since Sino-Indian hostilities in the sixties. China’s massive armed incursion against Vietnam – raking embarrassing memories of China’s punitive action against India in 1962 timed as it was with the Indian Foreign Minister’s presence on Chinese Soil, however, created a poignant and wholly unexpected situation for Vajpayee who had to cut short

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<sup>46</sup> W.P.S. Sindhu and Jingdong Yuan, “China and India: Cooperation or Conflict,” India Research Press, New Delhi, 2003. P. 21.

<sup>47</sup> Nancy Jetly “Sino-Indian Relations: A quest for normalization”, India Quarterly, Vol.XLII, No (1). January – March 1986. P.55.

his visit abruptly. A visibly chagrined Vajpayee conceded that China's blatant reference to the 1962 attack on India had indeed created hurdles in the path of normalization' but maintained that his exploratory preliminary contact had helped to unfreeze the boundary and the common willingness of the two countries that reflected further on the possible ways to resolve the crucial question was indeed a significant step forward. India had, on its part, assured China that its asylum to Dalai Lama had been given in deference to his spiritual position and that it would not stand in the way of the refugees returning to Tibet, should they consider it suitable to return<sup>48</sup>. It was, however, obvious that besides receiving an assurance from China regarding the extension of support to insurgents and anti-constitutional activists within India being a 'thing of the past', India had little to feel confident about China's stand on Kashmir and Sikkim. Vajpayee reiterated that national interests would remain supreme and the question of surrendering any Indian territory to China did not arise: The Janata Government stands committed to the 1962 Resolution of Parliament. He also made it clear that in a veiled reference to the Soviet Union that India wanted to improve its ties with China in a bilateral context and such improvement could not be at the cost of established friendships<sup>49</sup>. The issue was to lie dormant until the second phase coming to power of Mrs. Indira Gandhi in 1980.

Thus after her return to power in 1980, Mrs. Gandhi continued efforts to keep up the political dialogue with China. In the course of meeting between the Chinese Premier, Hua Guo Feng and Indira Gandhi in Belgrade in May 1980, both sides reiterated that better Sino-Indian relations were essential for peace and stability in Asia. There was a need for mutual consultations as also avoidance of confrontation that can be amicable solution for their bilateral problems<sup>50</sup>. In June 1980 senior Chinese leader Deng Xiaoping, in an interview with the editor of an Indian defence journal, offered to settle the longstanding border dispute with India. Echoing the late Chinese Premier Zhou's proposal some twenty years earlier. Deng suggested that a resolution of the border issues to be based on a mutual recognition of the status quo: India would accept Chinese control of Aksai Chin, and in return China would recognize Indian control over disputed territories in the eastern sector. For the first time China also departed from its previous position on Kashmir, declaring it to be a bilateral issue between India and Pakistan

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<sup>48</sup> Ibid. P.56.

<sup>49</sup> Ibid, P.56.

<sup>50</sup> Ibid P.46

instead of unequivocally backing the latter. However, any sign of conciliation between India and China was resisted by Kremlin of the USSR, Nonetheless, slow and tentative steps were taken to reduce tension and the two countries began to explore ways to resolve their territorial disputes<sup>51</sup>. In 1981, border talks commenced and were followed by seven more separate rounds of meetings that paved the way for future agreements. Since then, the process of normalization has evolved slowly through three distinct yet reinforcing activities: Summit meeting between head of states and governments; regular exchange visits between high-ranking military and non-military officials and civilian officials; and a gradual process of institutionalizing a series of confidence building measures (CBMS). These three pronged process continues<sup>52</sup>.

By most accounts, the process of normalization of Sino-Indian relations has yielded significant result. These include:

- i. The continuation of Sino-Indian antagonism is generally damaging to India's own interest in the long-run.
- ii. Normalization of relations with China would enhance India's international prestige.
- iii. Interference by superpower may be considerably reduced if India and China work together.
- iv. Peace with China would significantly minimize the need for India's continued military dependence on USSR and USA.
- v. Sino-Indian reconciliation would equip India with greater leverage in dealing with Pakistan and Nepal.
- vi. China would stop interfering in India's internal affairs after normalization of relations.
- vii. Friendship with China would result in increased trade and economic cooperation between the two countries.
- viii. Rapprochement with China would enable India to shift some of its financial commitments from national defence to economic development<sup>53</sup>.

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<sup>51</sup> W.P.S. Sindhu and Jing dong Yuan, "China and India: Cooperation or Conflict," India Research Press, New Delhi, 2003. P. (21-22).

<sup>52</sup> Ibid. P.22

<sup>53</sup> Krishna Prakash Gupta, "Conflict and Reconciliation with China," (Ed) Virendra Grover, 'International Relations and Foreign Policy of India' Vol (3). Deep & Deep Publications, New Delhi, 1992, P.158.

On 26 June 1981, Chinese Foreign Minister Huang Hua visited New Delhi. The very decision to hold talks entailed some concessions on both sides. After stating that the border issue was central to the relations between the two nations Huang Hua departed from the position that the issue to be shelved if China's 'package deal' was unacceptable. The 'package deal' involved setting the dispute along the lines of actual control with minor adjustments in both the eastern and western sectors. The Indian government in turn moved from its original position that it would not hold substantive discussions with China until the Chinese vacated every inch of Indian territory. Huang Hua, obviously with an eye towards influencing Indian public opinion and he announced that the Chinese would open two ancient Hindu pilgrimages sites in Tibet – Mansarovar and Kailash<sup>54</sup>.

The first round of these talks was held at Beijing from 10 to 14 December 1981. Reporting on the outcome of these talks India's foreign minister said: "The two sides have had a fairly detailed exchange of views, and although fairly wide differences persist, we hope that they could result in a better understanding of each other's Positions".

China's reiteration of its claim over Indian territory in Arunachal Pradesh and annexation of Sikkim in the early eighties revived the memories of late Chinese Premier Zhou En-Lai raising claims to 90,000 sq.km. of Indian territory. While refuting these claims India regretted the Chinese attitude.

When the new government headed by Prime Minister Rajiv Gandhi assumed office in New Delhi in 1984, it reaffirmed its commitment to improve relations with China. The President of India, in his address to the Parliament on 17 January 1985, inter alia noted: Our relations with China have shown improvement. We shall persevere in working a solution to the boundary question<sup>55</sup>.

The meeting between Prime Minister Rajiv Gandhi and Premier Zhao Ziang in October 1985 and the sixth round of border talks between India and China held in New Delhi in November 1985, brought forth no substantial results. Even the seventh round of India-China border talks held in July 1986 proved fruitless. On the contrary, China laid claims to 90,000 sq.km.

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<sup>54</sup> Summit Ganguly, "The Sino-Indian Border Talks, 1981-1989," Asian Survey, Vol.29, No.12. December 1989, P.1126

<sup>55</sup> Faisal O Al-Rfouh, "Sino-Indian Relations: From Confrontation to Accommodation (1988-2001)".China Report, Vol.39, No.1 January-March, 2003, PP (24-25).

of territory occupied by India in Arunachal Pradesh . China had reportedly built a helipad inside the Indian territory in Arunachal Pradesh along the Sino-Indian border and set up tents and huts in that area. While rejecting Indian protests as “unjustified” a Chinese spokes person of the Chinese foreign ministry further stated, “This area has always been as the part of Chinese territory.” While refuting the Chinese claim, India asserted that Arunachal Pradesh was an integral part of India with an elected legislature and China had nothing to do with it. On the other hand, China in an unprecedented move, distributed at the UN head quarters a press release presenting the Chinese version of the India-China border dispute accusing India of usurping large tracts of Chinese territory<sup>56</sup>. At the same time, India conferred full statehood on Arunachal Pradesh on 8/9 December 1986 when the Lok Sabha and the Rajya Sabha adopted legislation upgrading the Union Territory into a full- fledged state. China claims this area its own, as others assume that it had been conquered and ruled by Tibet in the past.

Reacting to these reports, the then India’s Prime Minister Rajiv Gandhi stated that India’s stand on settling the issue through talks was very clear and there was no question of granting any ‘territorial concession’ to China. On 3<sup>rd</sup> April, 1987 the Chinese Vice-Foreign Minister Quian Qichen said in Beijing that China had ruled out a settlement of its boundary disputes with India on the basis of historic treaties and as long as India was unwilling to make territorial concessions in the eastern sector, China could not be expected to make concessions in the western sector<sup>57</sup>.

Despite these developments the process of peaceful negotiations were not halted. The then Indian Foreign Minister, N.D.Tiwari visited Beijing in June 1987. In the joint statement both Tiwari and the Chinese Vice-Foreign Minister Liu Shuging emphasized that peace and friendship were more important than any other difference.

During the period of 1980’s, Sino-Indian relations affected severely because India had taken a balance stand over Tibetan issue, which was a major bone of contention for both the countries. It also brought out the vital impact on international relations. The essence of India’s dual-track policy is that while the government of India officially continues to declare that Tibet is a part of China and has been an autonomous region of China since 1989, India

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<sup>56</sup> Ibid. P.25.

<sup>57</sup> Ibid. P.25



facilitates the Dalai Lama's international movements and continues to assist the Tibetan government in exile. The latter action is usually justified as providing humanitarian assistance to Tibetan refugees, as promised by Nehru at the time the Dalai Lama arrived and seeking asylum on March 29, 1959. This dualism is dictated largely by the persisting Sino-Indian rivalry, a complex and competitive situation in which the PRC has several cards such as Kashmir, Pakistan and the North East insurgency in its hand Vis-à-vis India, while New Delhi has played the Tibet card<sup>58</sup>.

Indian commentators press upon their government the merits of playing the Tibet card in the great game with China. Indian appeasement of China on Tibet seemed to have gained it nothing. While India agreed to include references to Tibet being Chinese and anti-Chinese activities not being permitted by Tibetans in India, China made no comparable statement on any specific question of this nature. Further, the Indian claimed that the Mac Mahon line was itself dependent upon the validity of Tibetan autonomy. Dalai Lama had argued this position in an address in New Delhi in 1959. The Simla convention was valid and binding only between Tibet and British India, he argued. If Tibet had no international status in 1914 it could not legitimately have entered into the agreement. India claimed the Mac Mahon line was derived entirely from the validity of the Simla convention. Therefore, it was abundantly clear that if you deny sovereign status to Tibet, you deny the Simla Convention and therefore you deny the validity of the Mac Mahon line. Thus security considerations reinforced history and morality in indicating that India should reject Chinese claims to Tibet<sup>59</sup>.

The then Indian foreign minister N.D. Tiwari's visit was followed by the important visit of Prime Minister Rajiv Gandhi to China during 19-23 December, 1988. It was the first undertaken by an Indian Prime Minister since 1954. The China trip appears to have achieved three specific objectives, first, it addressed a long-standing Chinese complaint that an Indian Prime Minister had not reciprocated, Premier Zhou En-Lai's 1960 visit. Though merely a matter of protocol, Indian diplomats claim that this was an important matter of concern for the Chinese. Second, the visit led to creation of a Joint Working Group (JWG) to deal with the border question exclusively. Third, it has contributed to a more relaxed climate in Sino-

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<sup>58</sup> Dawa Norbu, "Tibet in Sino-Indian Relations, the Centrality of Marginality, Asian Survey, Vol.37, No.11 November 1997. p. 1091.

<sup>59</sup> Ramesh Thakur, "The Politics and Economics of India's Foreign Policy", Oxford University Press, Delhi, 1994, PP (68-69).

Indian relations while this might not be seen substantive accomplishment and significant to it.

Another permanent committee was constituted during Rajiv Gandhi's visit to China. The joint commission on Science, Technology and Trade was set up during his visit. The meetings of this commission resulted agreements signed between the two government officials that have led to exchange of expertise relating to space technology, dairy industry and agriculture. Similarly a protocol has been signed for exchanging of education at the highest level.

Though Indian diplomats were reluctant to divulge any details during the course of numerous interviews conducted in New Delhi in January, 1989, they hinted that measures to maintain peace and harmony on the border. It might be included prior notification of military exercises and other confidence building measures. This is not a minor accomplishment given the rapid escalation of military forces on both sides during the Sumdurong Chu incident of 1987<sup>60</sup>.

Despite these accomplishments, Rajiv Gandhi's trip was criticized by Indian commentators and members of the opposition. During his visit to China in December 1988, Rajiv Gandhi spoke of restoring Sino-Indian relations on the basis of Panchasheel and reiterated that India regarded Tibet as an autonomous region of China. The joint communiqué issued at the conclusion of Gandhi's visit reaffirmed that 'anti-China political activities by Tibetan elements are not permitted on Indian soil. Tibetan exiles were outraged. The Indian commentators too were puzzled by Gandhi's failure to secure a formal recognition by China of Kashmir, Arunachal Pradesh and Sikkim as integral parts of India.

Further they argued it would have been foolish to seek similar endorsement on disputed Indian territories because in the sovereign state does not need outside parties to affirm its national boundaries; that the Chinese needed to obtain Indian reiteration of the legal position of Tibet was an indication of Chinese weakness, not strength. The critics have also focused on the Joint Working Group (JWG). They pointed out that after Zhou En -Lai's visit to India a similar organization was crated in 1960. It produced a document

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<sup>60</sup> Summit Ganguly, "The Sino-Indian Border Talks, 1981-1989", Asian Survey, Vol.29, No.12, December 1989, PP (1132-1133).

known as the official report, which adduced all the legal, historical and customary evidence that the two sides could muster on their respective claims to the disputed border. As the political dead lock persisted, the official's report amounted to little more than an academic exercise. The present misgiving was that the JWG's efforts would meet a similar fate. But diplomats closely associated with this process were eager to stress the differences between the two groups. First, they contend that unlike in 1960, the necessary political will exists on both sides to reach a settlement and second, they claimed that JWG would not present the availability of evidence but actively seek a political settlement<sup>61</sup>.

In mid-1989, the China bubble was burst in Tiananmen Square. India maintained a tactful silence in regard to the repression which blanketed China after June 1989. Rajiv Gandhi's reticence in the events of Tiananmen Square and earlier on Tibet, paid early dividends. During South Asia tour such as Bangladesh, Nepal and Pakistan, Premier Li Peng forbore from making anti-Indian remarks. But portents for normalized Sino-Indian relationship remained unfavourable. For example, China was reported that to consider matching the nuclear powered submarine acquired by India from the Soviet Union with the sale of its own nuclear powered attack submarine to Pakistan. Negotiations were opened for the sale of nuclear missiles and technology in 1989.<sup>62</sup>

Over the course of time 1988-89, then relations were somewhat tense; but as the international climate began to change, the prospects for Sino-Indian détente improved. In particular, as relations between Beijing and Moscow improved following the Mikhail Gorbachev reforms, Sino-Indian relations ceased a card to be played in the communist powers poker game. Despite Prime Minister Rajiv Gandhi's reiteration of India's recognition of Chinese sovereignty over Tibet and India declared policy of non-interference, Tibet remained a significant issues in bilateral relations. Links between right-wing Hindu parties and Tibetan independence groups were of special concern. Nonetheless, the two sides appeared to recognize the futility of confrontation and moves to rebuild confidence proceeded apace<sup>63</sup>.

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<sup>61</sup> Ibid. p.1133

<sup>62</sup> Ramesh Thakur, "The politics and Economics of India's Foreign Policy", Oxford University Press, Delhi, 1994, P.74

<sup>63</sup> W.P.S.Sidhu and Jing Dong Yuon, 'China and India, Cooperation or Conflict' India Research Press, New Delhi, 2003, P.23.

### **Sino-Indian Economic & Trade Relations:**

This is however, not to minimize the inexorable logic of the increase in bilateral cooperation in a number of areas. Sino-Indian relations have not stood still since the dramatic breakthrough in 1976 and faster pace of cultural and technological exchanges and increased economic and trade contacts have undoubtedly tended to strengthen the long term prospects of normalization between the two countries. Various programmes of scientific and technological exchanges for mutual benefit have also been finalized. Both countries have also agreed to a regular exchange of visits of academicians and journalists in a bid to strengthen cooperation. A number of Indian trade delegations have visited China. Delegations representing various Chinese cooperation have also visited India from time to time. China has also participated in various trade fairs held in India. At the last round of talks an agreement was reached between India and China on a settlement of the long pending dispute over the acquisition of property of the Indian Embassy in Beijing as also compensation for the land seized in 1967<sup>64</sup>.

As for prospects of Sino-Indian trade, China's open door policy and its massive drive for modernization in the agricultural and industrial fields undoubtedly makes it a potentially, attractive market for India for the supply of intermediate technology. Some potential area like chemicals and pharmaceuticals, agriculture, textile, light machinery, hotels and automobiles can be tapped profitably for joint ventures. China in turn can help India in setting up biogas plants, mini steel and cement plants. It is in this context that the trade agreement was signed between India and China on 15 August 1984- to be renewed automatically every three years according each other's commerce the most favoured nation treatment and envisaging a boosting of bilateral trade marks a modest but significant advance in bilateral relations. The agreement provides for a regulated framework for commerce between the two countries which had been resumed on an adhoc basis since 1977 after a break of almost fifteen years<sup>65</sup>. Both the countries accorded each other the most favoured-nation treatment in trade and commerce. The 12 Articed Agreement, bearing the signature of the then commerce secretary Abid Hussain and Lu Xuejian, the

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<sup>64</sup> Nancy Jetly, "Sino-Indian Relations: A quest for normalization", India Quarterly Vol.XLII, No.1, January-March, 1996, P.60.

<sup>65</sup> Ibid. P.60.

Chinese Vice-Minister, aims at increasing the volume of Sino-Indian trade to one thousand crore rupees in five years. After picking up some momentum between 1980 and 1982 the volume of trade had come down in 1983-84 to less than one hundred crore rupees. Earlier FICCI delegation had identified a list of items for exports to and imports from China. Out of the fifty items in their list for Indian exports and twenty five for imports from China the trade agreement listed fifteen as having export potential for each country. Experts believed that the items which India could export to China include chrome ore, iron ore, plastic minerals, railway wagons, scooters, machine tools, pumps, iron and steel ingots leather goods, etc. India could profitably import petroleum, nitrogen fertilizers, news print, paraffin wax, chemicals and pharmaceutical and even copper, zinc and lead from China. It has also to be recognized that in some exportable items both India and China face competition with each other. The items include: textiles – woolen and silk – light engineering goods, chemicals, foot wear and tea. In some of these items China has gained ground from India in North America and Europe. It is believed that the trade talks did take up this matter. Negotiations have also taken place for joint India-China ventures in third countries and also Indian industrial investment in China. Some headway has been made in the establishment of coaltar enamel project and Bajaj's scooter production in China. In a climate of China's open door economic policy, Indian industry as well as the government of India seem to feel encouraged by the possibilities of India-China economic cooperation<sup>66</sup>.

India and China had gone to exchange trade delegations in 1977 and restart banking, credit and shipping facilities so that trade could be taken place. The volume was still small in 1980-81 but the interest had not declined. India exported US \$38 million worth of tobacco, cotton and steel and imported US\$18 million worth of silk, spices, medicines and some minerals from China. In 1978, the exchange of language students was started and some increase envisaged the variety of business technical, friendship and other good will delegations were visiting each others' country<sup>67</sup>.

During the three years 1981-83 the average value per year of Sino-Indian trade was 29 m. US dollars, during the next three years 1984-86 this annual

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<sup>66</sup> Manoranjan Mohanty, "India-China Relations" (Ed) Virendra Grover, "International Relations and Foreign Policy of India", Vol. (3), Deep & Deep Publications, New Delhi, 1992, P.67.

<sup>67</sup> Surjit Manshingh, "India's Search for Power, Indira Gandhi's Foreign Policy 1966-1982", Saga Publications, New Delhi, 1984, P.250.

average was 22.6 m. US dollars during three years between 1989 to mid 1992 the annual average value was 42 m. US dollars or about 35% more than the average of the early 1980s. However, compared to the overall value of the traded of these two countries this was a very small share. Between September 1989 and September 1990 the value of China's foreign trade was 91200 m US dollars. In the year the value of Sino-Indian trade was 33.8 m US dollars or just 0.0387 percent of the value of China's foreign trade. In 1991-92 it was only 0.07 percent of the values of India's trade<sup>68</sup>.

Table-1

S.No.	Period	Average Annual value of Sino-Indian Trade (Rs. Million)	%.+ / Compared to previous period
1	1977-78 to 1981-82	622.00	--
2	1981-82 to 1984-85	1,016.20	+ 63.3
3	1985-86 to 1989-90	1,707.30	+ 68
4	1987-88 to 1991-92	1,504.00	- 12

Compared with the five years period between 1977 and 1981 there has been almost 300 percent increase in the value of Sino-Indian trade during the period 1985 to 1990. Although there was a marginal decline in the two years after 1990, the average annual value of Sino-Indian trade during 1987-88 till 1991-92 was 142 percent more than it was during 1977-78 to 1981-82. It should be noted that except in 1991-92 during the entire period after 1979-80 India had a substantial deficit each year in its trade with China subject to fluctuations, India's imports have grown at a rapid rate particularly since 1985-86 while the rate of growth of exports has been both slower and unstable. It is obvious that India needs to make a greater effort at increasing its exports to China<sup>69</sup>.

The recent declining trend in the value of Sino-Indian trade is in spite of the fact that when a formal trade agreement on the basis of the Protocol Agreements between India and China was signed on August 15, 1984, it included reciprocal treatment on a Most Favoured Nation basis. China, however, follows a dual tariff regime. The goods imported into China from

<sup>68</sup> Shri Prakash, "India-China Relations: A Comparative view of the 1950s and early 1990s", India Quarterly, Vol. LII., No. (1 & 2), January – June 1996, P.18

<sup>69</sup> Shri Prakash, "Economic Dimensions of Sino-Indian Relations", China Report, Vol.30. , No.2, 1994, P.246.

countries with which China has bilateral trade agreements were subjected to minimum tariff rates which were substantially lower than the 'General Tariff Rates' applicable to imports from those countries with which China does not have bilateral trade agreements. After the agreement of August 1984 was signed, Indian goods exported to China were assessed at the minimum tariff rates. The MFN conditions were to apply to the ships of both countries.

The agreement of 1984 stipulated that all payments for trade between the two countries shall be made freely convertible currencies acceptable to both countries, subject to regulations of foreign exchange control in the force of either country. This clause has clearly restricted the expansion of trade between India and China. Attention has to be paid to evolving other financial mechanisms for making payments between the two countries in addition to possible counter trade agreements in relation to commodities which were known to be exported to or imported from either of the two countries. These arrangements could be included the opening of a Central Bank account in New Delhi and Beijing in which the values of individual exports either by public or private sector companies were entered and payment made in rupees in India and Yuan in China. At the end of each year, the surplus balance could be settled in freely convertible currencies. Such an arrangement would limit the amount freely convertible currencies needed for expanding Sino-Indian trade<sup>70</sup>.

Recent years have showed a remarkable development of Sino-Indian economic and trade relations. In the 1960s economic and trade intercourse between the two countries stopped for some time due to deterioration in their political relations. Bilateral trade picked up gradually, the volume rising only from US \$ 25 million in 1977 to US \$ 62 million in 1984. But after Rajiv Gandhi – Li Peng exchange of visits, the volume of trade grew and reached US \$ 765 million in 1994 including border trade. The latter has also developed in recent years, and this has been a positive factor in improving relations between the two countries, strengthening people-to-people contact and promoting the economic development<sup>71</sup>.

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<sup>70</sup> Ibid. PP (246-247).

<sup>71</sup> Wang Hangyu, "Sino-Indian Relations', Present and Future", Asian Survey, Vol.35, No.6, June 1995, P.551.

From the above discussion, we can conclude that both India and China are emerging as significant players in the international arena. Their adversarial role is detrimental to world peace in general and South Asia in particular. On the other hand, their mutual cooperation can contribute peace, stability and prosperity in the world. The unresolved border disputes, India's apprehension about Sino-Pakistan security agreement in 1964 and later Sino-US-Pak axis in 1971, the Tibet factor, Chinese claim over some Indian territories are some of the issues that impinge upon the cordial relations between the two countries during the cold war period.

During the early part of Nehru's period, China and India had intimate bilateral relations characterized by mutual support and cooperation in many decisive national, regional and international issues, such as establishment of diplomatic relations, admission of PRC to the United Nations, the Korean crisis, friendly exchanges in the initiation phase from 1947 to 1953 and the Panchsheel agreement, Indo-China issues, Asian-African conference, NAM, Taiwan and Goa questions and mutual visits of high ranking leaders in the honeymoon phase from 1954 to 1958. For the improvement Sino-Indian cordial relations, Nehru had two main objectives. Such as:

- i. Vision of India's goal to be a major power; and,
- ii. Attempting to enhance India's position and reputation in the international theatre and create a "third force" centred on India that would make India at par with the US and Soviet Union. China, the biggest neighbour of India and a founder member of the UN and a permanent member of the Security Council had an important and indispensable role in Nehru's pursuit for India's power position. To establish and develop friendly relations with China could not only enhance India's reputation and strengthen India's force, but also restrain china from contending with India for leadership.

However, at the end of March 1959, with the arrival of the Dalai Lama in India, the relations with China spun into a crisis. When China accused Nehru of being connected to the revolt in Tibet, it created public outrage in India. Tibet has had an integral role in the modern history of Sino-Indian relations. Tibet is the legal foundation on which both India's and China's border claims rest: the 1954 Panchsheel Agreement deals more with Tibet than either China and India and Dalai Lama's asylum status in India played significant role in the 1962 Sino-Indian conflict.



New Delhi has been using the Tibetan card in its policies towards the PRC since the early 1970's, while the Chinese side raised the Tibetan question both during Rajiv Gandhi's visit to China and Li Peng's to India. Such examples suggest that Tibet continues to be a major bone of contention between two countries.

Another problem between India and China is the Sino-Indian boundary dispute and the Security issue which strained the Sino-Indian relations during the cold war period. In 1954, a Chinese school text book carried a map at the Chinese empire which showed territories of several neighboring countries including India, as having belonged to China. In 1957, Indian authorities discovered that China had build a road through Aksai Chin, an area claimed by India. Chinese maps also claimed large tracts of territory in the north eastern sector, now Arunachal Pradesh province of Indian Union. The subsequent clashes between Indian and Chinese forces culminated in the war of 1962. India's traumatic defeat in the 1962 war, Chinese sabre rattling in the 1965 war between India and Pakistan and in the Bangladesh war of 1971 created an atmosphere in which no alternative interpretation of Chinese action was acceptable.

Chinese support to the Naga and Mizo insurgents and to the Naxalites was taken to be the natural consequence of China's inherent expansionist tendencies. Added to these bilateral problems, China supported to Pakistan and its stand to determine the status of Jammu and Kashmir. During the 1964 Kashmir dispute the Chinese said they would back Pakistan militarily, if it was attacked by India. The Chinese road building programme in Nepal, Pakistan and Chinese nuclear capability poses a strategic threat to India. China possesses enough nuclear warheads and carriers to threaten most populated and economic centres in India. It is also quite evident that India does not have capability to deter such an attack. In the Sino-Indian bilateral context, India appears to be totally vulnerable to Chinese nuclear threat.

The National Security considerations have also meant drastic reorientations in India's foreign policy. It has meant a tilted non-alignment first in favour of the United States, China's arch enemy in the early 1960's for military and economic aid and subsequently in favour of the Soviet Union China's enemy since the mid-1960. The American connection resulted in the establishment of US sponsored training bases for Tibetan guerrillas in India and the placement of a device on the Nanda Devi peak for monitoring Chinese nuclear tests. The subsequent USSR connection led to heavy

dependence on Soviet Military aid and the Indo-Soviet treaty of 1971. What Kautilya said, “the enemy of my enemy is my friend”? According to this principle the US, China and Pakistan formed the Sino-US-Pak axis against India in 1971.

China and India are in a state of rapprochement that began to develop the relationship in the late 1980s.

### **New Directions in Indian Foreign Policy towards China:**

Ever since the new government took over in New Delhi since May 2014, a number of initiatives were made in the foreign policy directions of the country. While in the last one year, there are no major radical departures from the immediate past India’s foreign policy is definitely acquiring new dimensions.

The triggers for unfolding new directions in the Indian foreign policy are several and are reflected in the many changes occurring both at the global and regional levels – the strategic, diplomatic, political, economic and military domains.

Foremost, China had grown to such an extent that it is trying to actively influence the global and regional environments and reshape the system to its advantage. This is in the backdrop of China becoming the second largest economy in the world, and with estimates suggesting that China would surpass the United States in terms of gross domestic product figures despite the current “new normal economy” of low growth rates in China. Also, China has amassed more than \$4.2 trillion in foreign exchange reserves, accumulated through surplus trade with several countries including the United States, Europe, Japan, South Korea, Southeast Asia and India. China’s defence budget had also grown to be the second largest in the world after the United States with 2015 allocations going up to \$142 billion. As a result of all these developments and new found confidence, China is surprising the international community with its grand initiatives, even as it provides least inclination to the global communities about its intentions. President Xi Jinping’s May 2014 Conference on Initiatives on Confidence Building Measures in Asia (CICA) Summit meeting speech on Asia for Asians, Silk Road initiative and the Asian Infrastructure Investment Bank (AIIB). His speeches at Nazarbayev University in Kazakhstan and in the Indonesian Parliament in late 2013 on the continental and maritime silk

roads, and his comments at the Bandung Conference in April 2015 on South-South and South-North Dialogues surprised many for their sweeping breadth and possible impact on the global and regional orders.

China's Monroe Doctrine has sway over the East and South China Seas, where with its anti-access and area denial strategies had imposed high costs on the United States even as the regional powers are too busy fending for themselves. Towards the western regions, China's initiatives today had integrated these regions to feed into China's rise. Kazakhstan and Turkmenistan are too dependent on China to follow independent policies. Smaller countries like Nepal, Myanmar, Pakistan, Malaysia, Mongolia and others are engrossed on domestic issues and worried about possible China's wrath if they stand up to Beijing. All these are happening when the US rebalance strategy towards the Asia-Pacific remain a whimper so far.

India is also keenly watching and concerned with a number of revisions in China policy vis-à-vis various aspects of South Asia. For instance, China's revision in Arunachal Pradesh policy is shifting from arguing initially (by the then Premier Zhou Enlai in late 1950s) that the McMahon Line is illegal to agreeing to recognize southern portion of McMahon Line [i.e. then the North East Frontier Agency -the current state of Arunachal Pradesh] as a part of the "swap principle" in 1957 and 1980 to the 2005-06 line of asserting [by the then Ambassador of China Sun Yuxi in November 2006] that the "entire state of Arunachal Pradesh is disputed" to Arunachal Pradesh as "southern Tibet". With Tibet configured as "core interest" by China and "southern Tibet" added to Tibet in 2005, the writing on the wall is clear for India – that China is willing to wage a war to protect these core interests. While two nuclear states could hardly afford to fight a war in which escalation ladder is unpredictable, the preparations on the part of both China and India suggests that this issue cannot be put on the back-burner. For instance, China had been strengthening its military modernization in Tibet, including missile deployments, while India is in the process of raising a Strike Corps and additional air bases.

China had also revised its Kashmir policy from the division of the sub-continent in 1947 as "unnatural" (as Mao Zedong told visiting Vice President Sarvepalli Radhakrishnan) in the 1950s to advocating self-determination of Kashmiris in the 1960s and 1970s, to resolving Kashmir dispute only through bilateral [i.e. India and Pakistan] and peaceful means during the 1980s and 1990s to the current efforts in actively financing

strategic projects in Pakistan occupied Kashmir. President Xi Jinping's visit to Pakistan in April 2015 – postponed from September 2014 due to insecurity in Islamabad – had yielded \$46 billion in infrastructure projects – in connectivity through Gilgit and Baltistan towards Gwadar and in the energy sector. Pakistan had stated that it will raise a whole Division to protect Chinese construction personnel in these turbulent areas. Others like Selig Harrison argue that China had already deployed 7,000 to 11,000 troops in these areas. This indicated to India that China is no longer concerned about other's sovereignty and territorial integrity issues and suggests counter-measures in South China Sea and East China Sea areas where China is locked in sovereignty disputes. China's arms transfers to Pakistan also remain unabated. Indeed, according to a latest report of Stockholm International Peace Research Institute, China had become the largest arms supplier to Pakistan, accounting for more than 40 percent of the Pakistani inventory. To top it, Pakistan recently had been toying with the idea of giving contract to China for eight conventional submarines, in the largest ever arms purchases from Beijing. China had also already agreed to sell more than 110 JF-17 Thunder multi-role fighter aircraft, in addition to four frigates. These developments suggest that China intends to continue its balancing approach in South Asia, regardless of improvement in ties with New Delhi. There is also the nuclear and ballistic missile cooperation between Beijing and Islamabad that India could hardly ignore.

Both these regional and global initiatives of Beijing are being viewed by New Delhi for their broad sweep and most significantly to any power transition between Washington and Beijing, as former US Secretary of State Hillary Clinton alluded to in a Strategic & Economic Dialogue at Beijing some years ago. This suggest number one that India has to make strategic moves to retain and further its influence at the regional and global levels and nurture its niche areas and interests but also to see to it that it is not marginalized in any contest between the US and China.

In the light of the above factors, the new government has been making concerted efforts in the last two years. These are reflected in PM Modi's visits abroad, specifically to Japan, the US and the Indian Ocean Region as well as in the economic and military domains.

Modi and his ministers have already had some direct interaction with their Chinese counterparts and this is likely to increase over the next couple of months. The prime minister sees China, which he had visited when he had

been Gujarat chief minister to attract investment and seek markets for his state, as having the potential to be a major economic partner for India. He would also not mind competition between various sources of investment. China, on its part, has been vocal about its hopeful view of Modi as a business minded and focused leader, and Xi Jinping will likely take with him economic sweeteners to try to expand this side of the relationship. Yet, even as economic ties are an opportunity, they have also been the source of strain with bilateral trade having fallen in the last couple of years even as the trade deficit has grown to India's detriment. Moreover, security concerns remain—over China's rise and its intentions in general, and the border issue, China Pakistan relations and Chinese activities in India's neighborhood in particular. Beijing would do well to heed the lesson from India Pakistan interactions—despite the hope and expectations, if there is a sense that a red line is crossed, relations could stumble. China, on its part, might not like the way some of India's relationships develop (Japan, Vietnam, the U.S.), the Modi government's planned military modernization and border infrastructure upgradation, as well as, potentially, its interactions with Tibetan leaders (Tibetan leader Lobsang Sangay was a guest at the Indian government's swearing in). One thing to watch for is if and when Modi travels to the state of Arunachal Pradesh, which China claims, or meets with the Dalai Lama.

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