



Sino-Indian Strategic Dialogue An Assessment

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Sino-Indian relations revolve around three issues which occur in an order of priority dictated by their immediate context. These are security, development and status. While the former was granted top priority during the cold war period, development took over from security as soon as the international status quo allowed it. The shift came about due to the internal needs of both nations helped along by a consensus that the 'development of one would in no way constitute a threat to the other'.

I STRATEGIC PERSPECTIVES

Delhi is Beijing's only economic and geostrategic rival in Asia and regardless of any churning which may take place in the internal power dynamics in China's ruling communist party, Beijing's policy towards Delhi will continue to be shaped by its desire to achieve pre-eminence in the region. Under the banner of 'the peaceful rise of China', the Fourth Generation's leadership has transformed the Middle Kingdom into an 'Eden of wild capitalism'.

Both India and China are rapidly growing economies. A combination of historical circumstances, cold war rivalry and now a competition for resources is setting the agenda for the way the two nations perceive each other. While commonality of interests exists in some areas which widen the field for further cooperation, other factors are pushing the two countries towards the path of rivalry and confrontation in pursuance of each nation's perceived self interest. An ascending China will pursue an aggressive line

with any competitor or even partner that poses a challenge to its self image.

THE INDIAN OCEAN LITTORAL

An ever-increasing demand for energy fuels China's growth. Over seventy per cent of China's oil imports come from the Middle East and Africa. The entire oil bound for China are transported by sea lane making China dependant on international sea-lanes, especially through the Strait of Malacca and other navigational chokepoints. Securing Sea Lines of Communication (SLOC) thus becomes critical for China. Its geopolitical strategy dubbed the "String of Pearls" by American analysts is arising as foreign oil becomes a center of gravity critical to China's energy needs. Each "pearl" in this string is a nexus of Chinese geopolitical influence or military presence, which stretches from the Hainan Island to Gwadar. China is building strategic relationships and developing a capability to establish a forward presence along the SLOCs that connect China to the Middle East. China's development of these strategic geopolitical "pearls" has however been non-confrontational, with no evidence as yet of imperial or neocolonial ambition.

Regardless, of China's intent today, powerful and modernised armed forces provide China with military capabilities that we must consider. Beyond Taiwan, China's evolving maritime power suggests that the People's Liberation Army Navy (PLAN) is concerned with protecting SLOCs to keep open the "choke points" relevant to safeguarding trade and ensuring uninterrupted transport of energy resources. This is consistent with China's expansion along the "String of Pearls". However, with the exception of "fishing trawlers" occasionally found

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mapping the ocean floor to facilitate submarine operations, the PLAN has yet to flex any “blue water” muscle.

For China, the risk and cost of the military dimension of its “String of Pearls” strategy would need to be well thought out as an aggressive military buildup would create a counterbalancing effect detrimental to Chinese interests. Even a limited forward military presence, to “show the flag,” or as a hedge in case U.S. security guarantees fall short, could conflict with China’s path to “peaceful development” and be counterproductive toward China’s achieving its larger national objectives.

II

INDIA-CHINA RELATIONS: INDIAN CONCERNS

The relationship between the two countries can best be described as stable at the strategic level and marked by aggressiveness at the tactical level. The major irritant in the relationship is the unresolved border issue which has the potential to lead the two countries to conflict. China continues to be in physical occupation of large chunks of Indian Territory. China is in possession of the Aksai Chin plateau in Ladakh and lays claim to the entire Indian state of Arunachal Pradesh. India is thus rightly concerned at the massive up gradation of infrastructure in Tibet which has a distinct military bias despite Chinese claims to the contrary. This greatly enhances Chinese military capability across the Himalayas which when considered with growing military asymmetry including nuclear capability, poses a threat to India.

The China – Pakistan nuclear, missile and military hardware nexus is also a cause of concern. China is Pakistan's largest defense supplier; their relationship has been characterized by several high profile defense visits and the holding of several joint military exercises. Joint ventures between the two countries are in the field of space technology and manufacture of fighter

aircraft and other military equipment to include a turnkey ballistic-missile manufacturing facility near Rawalpindi and development of the 750-km-range, solid-fueled Shaheen-1 ballistic missile.

Chinese policy toward Pakistan is driven primarily by its interest in countering Indian power in the region and diverting Indian military force and strategic attention away from China. It also provides a bridge between Beijing and the Muslim world, a geographically convenient trading partner, and a channel into security and political relations in South Asia. For Pakistan, China is a high-value guarantor of security against India. The China-Pakistan partnership serves both Chinese and Pakistani interests by presenting India with a potential two-front theatre in the event of war with either country. Chinese officials also view a certain degree of India-Pakistan tension as advancing their own strategic interests as such friction bogs India down in South Asia and interferes with New Delhi's ability to assert its global ambitions and compete with China at the international level.

While China's pursuit of relations with Pakistan has been aimed primarily at containing Indian power in the region, rising instability in Pakistan due to internal threats from fundamentalist forces is a cause of concern for China. Tension has surfaced over the issue of Chinese Uyghur separatists receiving sanctuary and training on Pakistani territory and the kidnapping and killing of Chinese personnel by fundamentalists. China's interest in improving ties with India over the last decade has spurred Beijing to develop a more neutral position on the Kashmir issue, rather than reflexively taking Pakistan's side. Despite this, China will continue to maintain a robust defense relationship with Pakistan as a useful tool to contain Indian power.

Increase Chinese footprint in South Asia is also a matter of concern. Nepal constitutes an important element in China's South Asia policy. Nepal's weak economy and geographic location makes it largely irrelevant to the global economy. This is seen in development of infrastructure, assistance in construction of road and rail network and in hydro projects. The evolution of a multi-layered engagement between China and Nepal supports its wider South Asia policy.

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from the Indian side. China's strategic objective appears to be to gain direct access to Bay of Bengal and Andaman Sea through Myanmar, bypassing the narrow Straits of Malacca. China is also Myanmar's largest arms supplier. China values Bangladesh for its immense natural gas reserves where Bangladesh's geographical proximity to Myanmar makes these reserves accessible to China through pipelines as also providing a strategic foothold to China in South Asia. Dhaka has granted China exploration rights for developing its natural gas fields at Barakpuria, and has also offered China naval access to its prized Chittagong port, which India has long but unsuccessfully sought. China became Sri Lanka's biggest arms supplier in the 1990s, when India and Western governments refused to sell weapons to Colombo for use in the civil war. Beijing appears to have increased arms sales significantly to Sri Lanka since 2007 to include among others, Chinese Jian-7 fighter jets, anti-aircraft guns and JY-11 3D air surveillance radars, when the US suspended military aid over human rights issues. China has also constructed a port at Hambantota. While the Chinese say that Hambantota is a purely commercial venture, its strategic location makes it a very valuable asset for future use. China's quiet assertion in India's backyard grounded as it is in a policy of "harmony" and deep pockets thus remain a matter of deep concern to India.

Another matter relates to Chinese support to insurgent groups in Northeast India. This support declined in the eighties and is no longer a cause of serious concern. But considering the nature of India's borders with Tibet and Myanmar, such support can be ratcheted up again.

III CHINESE CONCERNS

While the Chinese military has been modernising steadily for the past two decades, Chinese military planners cannot look to the south with absolute equanimity as India has had far easier access to advanced military technology from around the globe than the PLA. For example, one of the effects of the Sino-Soviet split and the subsequent animosity between Beijing and Moscow was that Russia happily supplied India with more advanced weapons. Indeed, for much of the Cold War, the Indian military relied heavily on the USSR for its most modern equipment. This continues to be the case, despite warmer relations between Beijing and Moscow. The Russians, for example, have sold the Su-30MKI, a variant of the Su-27/Su-30 airframe to India, which is seen as more advanced than the Su-30MKK, the version supplied to the PRC. The

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Russians have sold the aircraft carrier Admiral Gorshkov and a complement of MiG-29K fighters to India. India also maintains the distinction of being the only nation to have ever leased nuclear-powered submarines. In the late 1980s and again in 1991, it leased a Soviet Charlie II-class SSGN (nuclear-powered guided missile submarine) and is leasing the Nerpa, an Akula-class SSN (nuclear powered attack submarine) for 10 years.

Indo-US defence cooperation and the nuclear agreement represent the core of the partnership between India and the US. Furthermore, India is also seen as a different case than China by the United States, at least in terms of access to high technology. This is apparent in the area of space technology, which is of growing potential military import. As a case in point, the Moon Mineralogy Mapper on the Chandrayaan-1 lunar exploration spacecraft, which identified significant amounts of water on the Moon, was an American instrument package. By contrast, it will likely be a very long time before the U.S. is willing to place any kind of comparable sensor system on a Chinese satellite. Within China, fissiparous tendencies in East Turkistan and Tibet have been described as inflicting serious damage on national security and social stability. China is thus concerned about the issue of the Dalai Lama, the activities of the Tibetan Youth congress and the National Endowment for Democracy (NED). There is a sense of paranoia in China of the rather fragile security situation in Tibet being vitiated by the Dalai Lama and other inimical groups. They believe that the NED has a base in India, though no evidence exists of the same. The NED is a US based organisation and China believes that the riots which periodically erupt in Lhasa and other areas are an offshoot of support provided by the NED.

IV POSITIVES IN THE RELATIONSHIP

There are however, many positives in the relationship, foremost of which is the increasing trade flows between the two countries. These stand at about USD 73 billion in 2011, up from USD 51.2 billion in 2008. However, the trade flows are still very low when compared to their potential. Opportunities for Indian business exist in the field of communication technology, health and biology and services sector. Conversely, there is considerable potential for China to export its manufactured products and also assist in developing India's labour intensive production industry.

While increasing trade flows suggest stability in the relations, it needs to be mentioned that the trade is heavily skewed in China's favour with Chinese exports being in excess of USD 50 billion. Indian exports mainly comprise of raw materials whereas China's consist of manufactured goods which further skews the trade imbalance. Other positives in the relationship are cooperation in World Trade Organisation. Both India and China together worked together during the Doha round of WTO trade talks by denouncing demands for free trade made by the more industrialised nations. There is commonality of interests shown by both on climate change to resist any coercion by the West and a relatively peaceful border over the last two decades.

V ASSESSMENT

As of now, Chinese concerns are focused towards economic development with a singular goal to double, triple and quadruple its USD 4 trillion GDP by 2050. While China has over the past few years invested USD 198 million into the Gwadar Port Project, and will invest more for the completion of its second phase, there are voices being raised in China expressing concern over China's support to Pakistan. "The Gwadar Port Project does not make much sense for China", says Professor Zha Daojiong, China's premier energy expert and a leading light at Peking University's School of International Studies. According to Dr Yang Jiemian, president of the prestigious and influential Shanghai Institutes for International studies, China's Pakistan-policy is under active review. China's foreign policy establishment now relies heavily on

academics like Professor Zha Daojiong and members of the think-tank community like Dr Yang Jiemian. The strategic angle to Pakistan-China relationship will however remain and China will continue to use Pakistan to cap India's geo-strategic ambitions. It may also use Pakistan as a geographical impediment to America's China-containment policy. But China's assistance to Pakistan will increasingly be based on economic pragmatism.

Energy competition between India and China is also reflected in the two countries' assertions of naval power. As India reaches into the Malacca Strait, Beijing is developing facilities along the Indian Ocean littoral to protect sea lanes and ensure uninterrupted energy supplies. As China and India rise politically and economically on the world stage, it is natural that they compete with one another for influence. Rivalry between the two nations will be fueled especially by each country's efforts to reach into the other's traditional spheres of influence, for example, China in South Asia and India in Southeast Asia. China's willingness to overlook human rights and democracy concerns in its relations with the smaller South Asian states will at times leaves India at a disadvantage in asserting its power in the region. Recently, this was quite evident in Nepal and Sri Lanka. India will need to significantly enlarge its economic footprint in the South Asian region to ensure it maintains an edge in its traditional spheres of influence.

Militarily, there can be no let up in India's preparation to counter any Chinese misadventure. In the Himalayas, India will have to ensure air superiority at least in the areas south of the Tsang Po River. It will also have to upgrade its artillery capability in the mountains as well as develop infrastructure compatible to that which China has built up in Tibet. India will also have to ensure that its Navy maintains an edge in the Indian Ocean to protect national interests. To that extent, it is time that the country takes a de novo look on prioritising its defence expenditure to meet the challenges of the future. India also needs to change the way in which advice is tendered to the Government so that the Services concerns are adequately represented to ensure that the nations defence is not compromised.