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### Introduction: Old Foes, New Friends

In recent years, China-India relations have shown a significant shift in terms of political, economic, social, and various other aspects. Nonetheless, our interest lies in whether China and India will indeed be able to build new partnerships with each other in the future. Seen as one step ahead of India, China's rise could be viewed as a cause for concern for India. Historically, the rise of new emerging powers has always sparked tensions for neighboring countries. Typically, the emerging powers' desire for expansion leads to a change in the existing international order and also causes conflicts with neighboring countries. Furthermore, China and India experienced a border conflict war in October 1962 and various elements of conflicts still remain today.

However, they restored diplomatic ties in 1976 and started seeking a new partnership. In 1996, China and India established "the 21st-century-oriented constructive partnership." During Chinese Premier Wen Jiabao's visit to South Asia in April 2005, China and India held a summit in New Delhi and agreed to establish a "strategic and cooperative partnership for peace and prosperity." In December 2010, Wen Jiabao visited India to commemorate the 60th anniversary of diplomatic relations between the two countries and attended the "India-China Friendship Year" closing ceremony.

More recently, in May 2013, the current Premier Li Keqiang chose India for his first foreign visit since taking office, indicating the great importance of Delhi to Beijing. The fact that India was Li's first choice suggests how significant China considers India to be.

Why does China put this much effort into India? What are this rising major power's perceptions of India and its strategic goals? In consideration of such questions, this article aims to examine China's perceptions and policies toward India.

### China's Perceptions of India: Equals or Not?

China and India's "good neighborly friendship"—until the early 1960s—started in the late 1940s, when both countries gained independence from colonial and imperial rule. The two nations jointly declared the "Five Principles of Peaceful Coexistence" in 1954 and continued a close cooperation as early key members of the Non-Aligned Movement. Nevertheless, they went to

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war in 1962 over a border issue and restored their diplomatic ties only as late as 1976. It was not until the beginning of the 21st century in the post-Cold War era that they earnestly started to improve their mutual relations.<sup>1</sup> Historically, cooperation and confrontation between China and India have substantially affected China's perception of India. How China views India today can be analyzed as follows:

First, in terms of international standings, China strictly sees India as more of a middle power than a major power. Even though India has traditionally held the standing of a leader state in South Asia, China does not consider it a major power that establishes its own "pole" at a global level. In this sense, China believes that today's international order features a "multipolar" structure with five poles—the United States, China, Japan, Russia, and the European Union (EU). Regarding India, China deems that it holds the standing of South Asia's regional power and relentlessly tries to join the ranks of global major powers.

Second, in military and security terms, China does not see India as a direct threat. This view contrasts with India's prevailing view that the rise of China may pose a "potential threat" or a "challenge."<sup>2</sup> China's view is based on the recognition that traditionally the Himalayas and the Kunlun Mountains located between the two nations have served as a natural buffer zone.<sup>3</sup> In addition, China has confidence that since it defeated Indian military forces in their 1962 conflict and still today, its military capabilities

are by far stronger than those of India. However, in another respect, China is worried if India forms a coalition with the United States and becomes a direct threat in the future.

Third, in economic terms, China regards India as a "chance" factor necessary for its own growth and prosperity. As the trade volume between them has surged recently, India is emerging as one of China's most important trading partners. In 2000, India's exports to and imports from China stood at merely \$800 million and \$1.2 billion, respectively. However, these figures have increased 22- and 48-fold to \$18 billion and \$57.5 billion as of 2011, respectively. In particular, China recorded a surplus of \$40 billion in its trade with India in the same year.<sup>4</sup> As such, India is emerging as a huge consumer market for Chinese products. Furthermore, the larger the Indian economy grows, the greater its consumption of Chinese products will become. In this regard, Li's visit in May reflected not only diplomatic needs but also economic potential.

Fourth, in recent days the international community generally deems that China and India are in a "strategic competition." However, China does not regard India as a serious rival. It pursues friendship with India not because it views its neighboring nation as a dangerous rival or an enemy but because it simply wants to avoid conflict with its neighbor. The Chinese take pride in their economic reforms and the dramatic growth they have produced, and even look down on the Indians for their slower growth and continuing

Figure 1: India's Main Trade Partners

Year	2000				2012			
	Export	Ratio (%)	Import	Ratio (%)	Export	Ratio (%)	Import	Ratio (%)
1	U.S.A	20.9	Britain	6.9	U.S.A.	16.74	China	6.3
2	Britain	5.3	U.S.A.	6.0	UAE	8.96	Switzerland	5.88
3	Germany	4.3	Belgium	5.7	China	5.79	UAE	5.43
4	Japan	4.0	Japan	3.5	Singapore	4.79	U.S.A.	4.28
5	Benelux	3.3	Germany	3.5	Hong Kong	4.61	Indonesia	4.26

Source: DGCIS, <http://www.dgciskol.nic.in> (accessed March 9, 2013)



economic problems. China also considers India's pride, its democracy, an "immature democracy" with too many parties representing particular regions or languages, competing on the basis not of government policies but of communal interests that cannot help India catch up with China in economic efficiency.<sup>5</sup>

### **China's Strategic Goals and Policies Toward India: Rivals vs. Partners**

Why, then, in the 21st century has China established a "strategic and cooperative partnership" with India and tried to promote their friendship? Why did Li choose India for his first foreign visit? The answers to all of the questions can be found in China's new and recent perception of India's strategic importance and, especially, in the competition between the United States and China. In other words, because of India's recent rapid economic growth and active pursuit of its international role as well as the United States' strategic approach to India, China is changing its perception and policy.

All of the successive U.S. presidents in the 21st century have paid a visit to India. In particular, former President George W. Bush visited India in March 2006 and signed a "nuclear agreement" to recognize India as a nuclear state. China deems such actions by the United States as ways to ultimately check or contain China in relation to India. Therefore, China is strengthening its approach to India more preemptively and actively than the United States. By doing so, China aims to win India over and prevent it from joining those who want China contained. In other words, one of China's major strategic goals regarding India is to break through the potential siege led by the United States by tightening its strategic cooperative relations with India.<sup>6</sup>

Another goal is to keep the region stable and peaceful by tightening the ties with India. As a nation, China aims to achieve a "great renaissance of the Chinese nation" and rise as a global major power. To meet this target, it considers regional stability and peace

crucial. In particular, China went through a border dispute with India in 1962, and the two nations are still in discord over the boundary line. Furthermore, unlike other neighboring nations, India is advancing rapidly in politics, economy, and military strength and expanding its influence in Asia through its close ties with Japan and Russia as well as the United States. In this regard, China has set a strategic goal of promoting regional stability and increasing its influence in South Asia through cooperation with Asia's middle power, India.

To attain its strategic goals regarding India, China has been pursuing the so-called positive engagement policy, which consists of the following actions:

The first action is to establish a "strategic and cooperative partnership" with India and based on it, steadily to expand bilateral exchange and cooperation in diverse areas such as politics, economy, society, and culture. On April 11, 2005, in New Delhi, China established a "Strategic and Cooperative Partnership for Peace and Prosperity" with India during Wen's visit to the country.<sup>7</sup> Based on this partnership, China has put an end to a confrontational atmosphere with India and actively sought new cooperation and development in various areas. In this course, China has consistently denied the argument that it views India as a "rival" and highlighted its neighboring nation solely as a partner. Such an approach not only deepens their mutual dependence but also helps achieve greater common interests and regional stability.

The second action is to prevent India from being absorbed into the United States' sphere of influence by nurturing bilateral trust and cooperation in military and security matters. To this end, China has invited India every year as an observer to the Shanghai Cooperation Organization (SCO), which is a China-led multilateral security organization. Also, in May 2006, Chinese Defense Minister Cao Gangchuan and Indian Defense Minister Pranab Mukherjee met in Beijing and agreed to hold a joint military exercise regularly.<sup>8</sup> While considering India one of the states posing a real nuclear threat, China has sought to minimize a direct



and conventional arms race with India.<sup>9</sup> As a result, the one-time enemies have left their confrontational attitudes behind and pursued new cooperation and development. Furthermore, during Wen's visit to India for the 60th anniversary of the bilateral diplomatic relations in December 2010, the two countries agreed on a peaceful resolution of border issues. Also, in January 2012, China and India agreed to establish the "Working Mechanism for Consultation and Coordination on India-China Border Affairs" to resolve the border disputes.<sup>10</sup>

The third action is to keep a balance between India and Pakistan. Except for the territorial dispute, the biggest wedge issue between the two nations is Pakistan. Recently, China is changing its course into a "balanced diplomacy" between India and Pakistan, and in particular it has begun paying attention to India's security concerns over Pakistan, because China knows that India is particularly concerned about China's strategic partnership with Pakistan. Still, China will never abruptly discontinue its support and assistance to another strategic and cooperative partner, Pakistan. However, China seeks to address India's distrust by completely shifting its stance on India and Pakistan into a balanced one.

The fourth action is to increase its influence on South Asia. As Z. Brzezinski pointed out, the two countries are fundamentally among Eurasian "players" with the potential for geopolitical clashes.<sup>11</sup> Aiming for a rise from East Asia into a global major power, China is focusing on expanding its influence in South Asia. Small South Asian states that have been traditionally under India's influence (e.g., Nepal, Maldives, and Sri Lanka) seem to welcome China's engagement as a means of checking India. While promoting its partnership with India, China is also putting forth an effort to gain more influence in the region. For example, the Chinese navy is pursuing a "string of pearls" policy aimed at securing geopolitical extension and safety of energy transportation routes. A large part of the energy acquired by China is from the Middle East

and Africa and it is transported through the Indian Ocean, the Strait of Malacca, and the South China Sea. As a result, China has connected the ports in Myanmar, Sri Lanka, Bangladesh, and Pakistan as if it is wearing a "pearl necklace" that was under India's sphere of influence and it is now trying to make it possible for Chinese warships to use these ports.<sup>12</sup> However, this will be considered by India as blocking its maritime expansion and is likely to cause conflicts in China-India relations in the future.

### Assessment and Prospects: Who Will Be Joining Forces?

China's policies toward India have reflected its own domestic priorities and its reactions not just to India's aspirations on the subcontinent but also to actions taken by the United States and Pakistan. Meanwhile, China's perception of India has been dramatically changing in the 21st century. As Chinese President Xi Jinping has emphasized the "new type of major power relations" that are based on the current global trend of multipolarization, China now regards India as one of the most normative "new type of major power relations."

While India is committed to greater diplomatic leadership and military capabilities for "great power" status, China is increasingly watching its neighboring nation closely. Also, when a new international order is expected to emerge amid competition and cooperation between China and the United States, China deems that India's role will be a highly critical variable in the course of creating that order. Therefore, by trying to win over its neighbor, China seeks to prevent the United States and India from joining forces in Asia.

For this reason, China aims to step up its engagement policy for India and turn their relations into closely and mutually dependent ones. To this end, what it primarily pursues is lively economic exchange and cooperation with India. It believes that continued bilateral exchange and cooperation, mainly in the eco-



conomic area, will help reestablish mutual trust and raise mutual dependence. In this process, it also hopes to overcome their distrust and long-pending discord.

In reality, of course, the relationship between China and India still remains on the rudimentary level and they have to overcome difficult challenges in the future. Decades of political hostility cannot be resolved in a short period of time, and conflicts in border disputes and military and security aspects still exist. In particular, India, on the surface, is pursuing strategic cooperation with China, but in reality, it keeps its distance from China due to security concerns. Furthermore, with the rise of the two countries, they face the geopolitical conflicts of regional supremacy. Yet, unlike in the past, their relations in the 21st century are generating more chances of exchange and cooperation in diverse areas, and China's diplomacy toward India is assessed as relatively successful.

What should be pointed out here is that the "American factor" will be one of the most important variables in China's future diplomacy toward India. In particular, the Obama administration's "pivot to Asia" is perceived by China as a containment policy to counter China's rise and its growing influence in the region. The United States has explicitly expressed its intent to use India to keep the rise of its strategic competitor, China, in check.<sup>13</sup> In March 2000, President Bill Clinton visited India—the first U.S. president to do so—and in March 2006 President Bush also visited India to sign the "US-India Civil Nuclear Agreement"; and current President Barack Obama's visit to India in November 2010 is seen as an effort to "embrace India." The United States does not see India as a future threat but it does see China as a potential threat. Therefore, the United States takes a tough stance toward China while engaging a flexible foreign policy toward India.

India maintained strategic cooperation with the Soviet Union during the Cold War against the United States and today it holds a sense of rejection toward the US-led world peace in the international order, which is based on its power. Moreover, India is ex-

pressing different opinions from the United States regarding important international issues such as Iran and Pakistan, although it has a close relationship with the United States.<sup>14</sup> Thus, it is unlikely that India will go along or agree with America's intention. However, India is fully aware of US intentions and it is pursuing its own strategic objective of containing China while moderately meeting US needs. In this case, it is possible that the US factor will be one of the most important parameters in the progress of China-India relations and it will be highly likely to act as the most critical variable in the future success of China's engagement policy toward India. ■

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#### Notes

<sup>1</sup> R. P. Deepak, *India & China 1904–2004: A Century of Peace and Conflict* (New Delhi: Manak Publications, 2005), p. 1.

<sup>2</sup> Steven A. Hoffmann, "Perception and China Policy in India," in *The India-China Relationship: What the United States Needs to Know*, Francine R. Frankel and Harry Harding, eds. (New York: Columbia University Press, 2004), pp. 39–40; Mohan Malik, "Eyeing the Dragon: India's China Debate," [http://www.apcss.org/Publications/SAS/ChinaDebate/ChinaDebate\\_Malik.pdf](http://www.apcss.org/Publications/SAS/ChinaDebate/ChinaDebate_Malik.pdf) (accessed March 28, 2013).



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<sup>3</sup> China and India have not yet reached an agreement on the boundary line. Thus, tensions along the border remain.

<sup>4</sup> DGCIS, <http://www.dgciskol.nic.in/> (accessed April 9, 2013).

<sup>5</sup> Susan L. Shirk, "One-Sided Rivalry: China's Perceptions and Policies Toward India," in *The India-China Relationship: What the United States Needs to Know*, Francine R. Frankel and Harry Harding, eds. (New York: Columbia University Press, 2004), p. 94.

<sup>6</sup> Zhang Guihong, "Bush Administration's South Asian Policy and China's Security Environment," *South Asian Studies*(南亞研究), no. 2 (2003), pp. 32–33.

<sup>7</sup> See [http://www.mea.gov.in/bilateral-documents.htm?53/Bilateral/Multilateral\\_Documents](http://www.mea.gov.in/bilateral-documents.htm?53/Bilateral/Multilateral_Documents) (English) or <http://world.people.com.cn/GB/14549/3313745.html> (Chinese).

<sup>8</sup> *Xinhwa News Agency*, May 30, 2006.

<sup>9</sup> Ashley J. Tellis, "China and India in Asia," in *The India-China Relationship: What the United States Needs to Know*, Francine R. Frankel and Harry Harding, eds. (New York: Columbia University Press, 2004), p. 136.

<sup>10</sup> Li Li, "Analyzing the Causes for Solid China-India Relations," *Contemporary International Relations*(現代國際關係), vol. 3 (2013), p. 51.

<sup>11</sup> Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives* (New York: Basic Books, 1997), p. 168.

<sup>12</sup> Byung Kwang Park, "Views on China's Aircraft: Aspects of Geopolitical and Military Technology," *National Strategy*, vol. 17, no. 4 (2011), p. 187.

<sup>13</sup> See Teresita C. Schaffer, *Rising India and U.S. Policy Options in Asia* (Washington, DC: CSIS, 2002); Strobe Talbott, *Engaging India* (Washington, DC: Brookings Institution Press, 2004); Ashley J. Tellis, *India as a New Global Power: An Action Agenda for the United States* (Washington, DC: Carnegie Endowment for International Peace, 2005).

<sup>14</sup> India regards Iran as a vital energy provider in terms of its economic growth and it complained about the United States' support for the Pakistan military after 9/11.

