India and China
Exploring
Convergences in Asia

Editors
Gurpreet S Khurana
Antara Ghosal Singh

DIALOGUE SERIES
India and China
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National Maritime Foundation
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## Evolving Security Environment in the Asia-Pacific and the Indian Ocean Region

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INDIA’S ‘LOOK EAST’ AND CHINA’S ‘MARCH WEST’ CONCEPTS: SEEKING CONVERGENCE

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To quote Nobel laureate Amartya Sen, India has a long tradition of public debate and intellectual pluralism. Addressing complex problems through reasoned dialogues and accommodating conflicting views and perspectives are ingrained in Indian culture, which result in constructive debate and dialogue. Added to this were the five Confucian virtues that our friends from the Hainan Institute for World Watch (HNIWW) shared. The first bilateral dialogue between the National Maritime Foundation (NMF) and the Academy for World Watch (AWW), China was thus a constructive and valuable engagement.

This volume is an outcome of the first NMF-AWW bilateral dialogue, and captures perspectives from both sides on issues of mutual interest. This volume also explores and builds on the idea of ‘ChIndia’ by tracing the specific areas of our commonalities and convergences.

I hope this collective endeavour of the NMF and HNIWW will prove valuable in improving understanding between the two institutions and contribute to the knowledge of academics as well as the general public.

October 2015

Admiral DK Joshi
PVSM, AVSM, YSM, NM, VSM (Retd.)
Chairman, National Maritime Foundation
Former Chief of the Naval Staff

New Delhi
Preface

From visionary leaders like Rabindranath Tagore and Deng Xiaoping, to the Indian doctor Dwarkanath Kotnis and Chinese scholar and traveler Hsuan Tsang, the peoples of both the countries have long cherished China-India camaraderie. The texture of relations between the two erstwhile civilizations has also been envisaged by many as the essential prerequisite for Asian peace and harmony, which becomes more relevant to the present times with the ushering of the ‘Asian century’. The idea of ‘Asian Resurgence’ was first explored some seventy years ago during the 1947 Asia Relations Conference in New Delhi. However, meandering course of history had so far held that idea hostage, and the grand vision of these great pathfinders of Asia remain largely unfulfilled.

In the contemporary era, given the transformational changes in the global geo-political environment, and the world’s economic fulcrum shifting back to Asia after many centuries, optimists sense a historic window of opportunity for China and India to realise the enormous potential of their relationship, not only for reconciliation, but also for a ‘constructive’ engagement across various domains. They argue that along with the accretion of the comprehensive national power of China and India, the proactive and clear-eyed leadership may lead their respective countries – representing the two great Asian civilizations – to amity; and thus lead the inevitable idea of the Asian century, and determine its future contours, ushering in an era of Asian growth and prosperity, free from conflicts and chaos, poverty and misery.

Driven by this optimism and as stakeholders in the historic opportunity, the National Maritime Foundation (NMF), New Delhi
India and China: Exploring Convergences in Asia

(India) and the Hainan Institute for World Watch (HNIWW), Haikou (People’s Republic of China), reached out to engage each other in a novel endeavour to jointly explore the areas of convergences between India and China, so as to chart the course for future cooperation. Towards this end, in November 2014, the HNIWW hosted the NMF delegation to the inaugural dialogue between NMF and Academy for World Watch (AWW), China, titled ‘India-China exploring Convergences in Asia’ at Haikou, Hainan (China). During the dialogue, both sides strove hard to acquaint themselves with each other through sharing of perspectives and exchange of ideas. The underlying objective of the first bilateral discourse was to foster mutual understanding and confidence through deriving a realistic and objective insight into the perspectives of each other, which could lead to identifying the convergences and divergences between the two countries. In this context, the findings from the first dialogue are found to be valuable to progress the subsequent dialogues, which could recommend measures to capitalise upon the convergences and overcoming the challenges posed by the existing divergences.

The discussions at the first dialogue spanned the entire gamut of geopolitical, economic and security issues of relevance to China, India, and the Indo-Pacific region. However, given the geographic configuration of the Indo-Pacific region, the deliberations progressively narrowed down to maritime issues. This book is a compilation of the research papers presented during the dialogue. To make this compilation more relevant, the authors have incorporated the salient findings of the discussions at the dialogue in their respective papers.

In Chapter 1 titled ‘The Emerging World Order and ‘Rise’ of Asia’, Admiral Joshi sets the tone of the discussions by portraying the existence of two ‘Asias’. One is “Economic Asia” which is dynamic, integrated and the engine of global growth. Another one is “Security Asia”, which is a region of mistrustful powers and escalating tensions.

Addressing the challenges of Asian security, Mao Siwei, in Chapter 2 titled, ‘Principles for Rebuilding Trust between China and India’
emphasises on the importance of trust-building between China and India. He observes that although both sides had high hopes from the new leadership in both New Delhi and Beijing, such expectations have still not been realized up to their potential. He proposed three principles to be observed to build trust between the two. First, the media in the two countries ought to resist the temptation of sensationalising developments on the sensitive border issue. Second, leaving the past behind, the governments should not interfere in each-others’ internal affairs, especially India in South and East China Seas, and China in Kashmir. And third, both countries ought to respect each other’s core interests and major concerns in regional affairs. This is particularly essential in the present times when India is ‘moving eastward’, and China is ‘moving westward’.

Presenting an Indian perspective on the security issues in the Asia-Pacific and the Indian Ocean Region, Captain Gurpreet Khurana, in Chapter 3, titled ‘The Evolving Security Environment in Asia’, argues that notwithstanding the euphoria on Asia’s ‘rise’, the ‘Asian century’ is not guaranteed unless significant security challenges are overcome. He stressed that on one hand, ‘Western Asia’ is witnessing a renewed threat of Islamic fundamentalism with a high potential for it to spill over into the maritime realm; which is aggravated by the lack of maritime security capacity of regional countries. On the other hand, and ironically, the maritime insecurity in ‘Eastern Asia’ is due to the growing naval and air capabilities of the countries and their increasing military posturing. With India and China being geographically sandwiched between ‘Western Asia’ and ‘Eastern Asia’, all security-related developments in these two areas has a strong national security impact on both countries. This obligates the two Asian giants to identify convergences, and adopt common security approaches in constructive manner.

Dr Ouyang, in Chapter 4 titled, ‘Sino-Indian Relations: The Chinese Perspective’, expounds a Chinese perspective of the security
situation in the region. He argued that a positive and a forward-looking Sino-Indian relationship is the test for China's South Asia policy. He opined that should China need India's cooperation or participation in certain regional security affairs, it should demonstrate substantial movement in resolving the border dispute, and reconsider its South Asia strategy giving equal importance to both China-India and China-Pakistan relations. On the other hand, he suggested that India needs to appreciate the fact that China has never declared the border dispute with India as its core interest; and so far, has been able to manage Chinese nationalism vis-à-vis India in an apt manner. China, he argued, has already taken the lead in minimising divergences with India in the maritime domain by proposing Sino-Indian Maritime Dialogue, which needs to be reciprocated by India.

Pursuing synergy between India's ‘Look East’ and China’s ‘March West’ policy, Dr Om Prakash Dahiya, in Chapter 5 titled ‘India’s Look East and China’s March West: Seeking Confluence’, emphasises that both China and India are aiming at economic political reforms at home, and do not intend to threaten or use military power against each other. Both seek a refinement of the existing international order ranging from the outdated Bretton Woods Institutions to the United Nations (UN), and their interests converge in Afghanistan, in The Arctic and at several multinational institutions including the World Trade Organisation (WTO) and the Group of Twenty major economies (G-20). The challenge posed by environmental issues is yet another area which may further enhance bilateral cooperation between the two countries in future.

Delving deeper into China’s March West strategy, Mao Jikang, in Chapter 6 titled ‘China’s ‘Marching West’ Strategy and India-China Relations’, notes that Beijing’s policy is not to extend its military reach westwards, but to expand China’s economic and political influence to the Central Asian and Indian Ocean littoral countries, while also
responding to non-traditional security challenges in the north-western part of China. He observed that for China, maintaining a stable balance of power in the West Pacific is of top priority, but to do so and manage the heightening military tensions in the West Pacific, it must venture to its west. The intension is not to challenge the Indian or the American dominant role in the Indian Ocean, but only to ease tension in its East and protect its energy security interests, while also building up Chinese soft power in its extended neighbourhood. He further observed that as compared to India or the United States, in strategic terms, China is in the weakest position in the Indian Ocean. He argues that India’s willingness to join the Asian Infrastructure Investment Bank (AIIB) is indicative of India’s favourable perception of China’s ‘March West’ strategy.

The scholars from both sides stressed on the priority of Maritime Dialogue between China and India which can translate into rich dividends for both the countries. Ateetmani Brar, in Chapter 7 titled ‘India-China Maritime Cooperation’, identifies areas in the maritime domain, wherein China and India could develop a fruitful cooperative relationship. These range from anti-piracy and counter-terrorism to Humanitarian Assistance and Disaster Relief (HA/DR) and Search and Rescue (SAR). Maritime-economic issues like shipbuilding, deep seabed mining and blue economy can be explored as potential areas of cooperation.

Accessing the future of Sino-Indian maritime cooperation, Zhang Ye, in Chapter 8 titled ‘The Current Situation and Prospects for Sino-India Maritime Security Cooperation’ notes that the interaction between the navies of both the countries has lately intensified, which in future, could either lead to unprecedented cooperation in the field of maritime security, or will cause a major conflict in the sea. Hence, the interface between the two countries would need to be deftly managed in a constructive manner.
The role played by the United States in China-India relations is also explored. Mao Siwei argues in Chapter 2 that the US’ stand is full of ambiguity and uncertainty. He points out that while on one hand, the US officials describe India as the lynchpin in America’s defense strategy; on the other hand, they talk about a strong cooperative relationship with China to be at the heart of their pivot to Asia. Similarly Dr Ouyang, in Chapter 4, opines that it is only through a progressive Sino-US relationship and a stable Sino-Indian relationship, that any possibility of India-U.S. strategic alignment inimical to China can be evaded. Also, to avoid any such alliance against China, it should consider providing diplomatic support to India, such as in terms of its candidature in the UN Security Council and the Nuclear Suppliers’ Group (NSG).

To sum up, the first NMF-AWW Dialogue provided a productive platform to the scholars on both sides to debate and discuss a host of regional and bilateral issues – some of which were sensitive enough to raise uncomfortable questions – share perceptions, and to address doubts and misgivings which, if left unattended, pose major stumbling blocks for the bilateral relationship to be progressive. In a nutshell, the value of track 2 exchange was highly discernible. The fruitful completion of the bilateral discourse helped build confidence on both sides and provided useful insights for policy making. It is hoped that in subsequent years, this nascent joint initiative by NMF and AWW could develop further to undertake more detailed deliberations on the identified areas of convergence. We are confident that in this direction, the two institutions would receive all support from their respective higher managements and stakeholders.

Gurpreet S Khurana
Antara Ghosal Singh
The Rise of Asia and the Emerging World Order
The Emerging World Order
and the ‘Rise’ of Asia

D.K. Joshi

The Emerging World Order

Uni-polarity to Multi-polarity

During the course of history, the various world orders that emerged were seldom monolithic in structure or linear in transition. They evolved with the emergence of new great powers, the attendant change in the nature of geopolitics, and new factors thrown in. All these were tempered with nuances of realpolitik, and a vigorous interplay of diplomacy, nationalism, political aspirations, and individual ambitions. Whereas the nineteenth century was characterised as the British century, the USA was the predominant power across the decades in the twentieth century. The global order then was underpinned by the interactions among four notable power centres: the USA, the Soviet Union, Japan, and North-Western Europe, which eventually coalesced into the bipolar struggle between the USA and the Soviet Union to shape an order suitable to their respective beliefs and objectives. The post-Cold War era began with a uni-polar complexion, but was — and is being — progressively replaced by a complex global dynamic comprising multiple poles, with a significant number of these power centres located in Asia. Alongside the USA, China has emerged as an important and credible challenger to uni-polarity. The USA’s ‘Rebalance to Asia’ announced in 2011 is, perhaps, an acknowledgement of this dynamic, and an important development shaping the global order today.
International Security

Across the world today, and particularly in Asia, military power and the related balance of power equations continue to be as relevant as they were earlier. The increasing economic interdependence among the major powers is causing significant constraints to their using hard power as freely as they did hitherto. However, even after the end of the Cold War, the international community still awaits the peace dividend, and international security seems to be an elusive and utopian concept. Yet, the United Nations—that replaced the League of Nations in October 1945 as the supra-national inter-governmental organisation—which is mandated to prevent conflict has not been able to comprehensively address the contemporary challenges of international security. A major reason for this is the representation of its primary executive body—the Security Council—which still reflects the global environment that prevailed seven decades ago. The ongoing developments in West Asia (Middle East) and the Afghanistan-Pakistan region (AF-PAK) place the emergence of religious fundamentalism and the issue of Iran’s nuclear ambitions as major constituents of international security, and thus a major determinant in the emerging global order.

Economics: A New Dimension

Global geo-economics represent a distinct and key dimension in the global order of the twenty-first century. The economic landscape of the world is characterised by an accelerating transformation. After the end of the Cold War, twenty years of euphoria and global economic integration began with profound geopolitical effects worldwide. The strengthened economic integration among the major powers served to reduce the potential for major armed conflicts. Continents began carving out transnational economic zones across the globe. China and India began emerging as economic and political heavyweights.

During the past few years, the world’s biggest economies have grappled with the threat of a new Great Depression. During the course
of 2011, it seemed that the global economic crisis had also soured international politics, with the emerging political malaise linked to the economic crisis. The global economic crisis changed the texture of international relations.

However, things are looking up again. Today, China holds over three trillion dollars of foreign exchange reserves, and India’s information technology sector is growing by leaps and bounds. Further, the BRICS countries are also on the threshold of a major economic advancement. Such consummate growth is opening the way for a multi-polar era in world politics. New, region-wide and cross-regional multilateral economic partnerships are posing a major challenge to the existing international financial, monetary, and trading systems. Just like the United Nations, the systems represented by the Bretton Woods Institutions have also been unable to evolve enough to address the realities of the new era.

The ‘Rise’ of Asia

The ‘rise’ of Asia is a major factor shaping the global order. Just as the nineteenth century was the British Century, and the twentieth century an American one, the twenty-first century is often called the ‘Asian Century’. A report of the Asian Development Bank (ADB), titled ‘Asia 2050: Realising the Asian Century’, avers that,

Asia is in the middle of a historic transformation. If it continues to follow its recent trajectory, by 2050, its per capita income could rise six-fold in purchasing power parity (PPP) terms to reach Europe’s levels today. It would make some 3 billion additional Asians affluent by current standards. By nearly doubling its share of global gross domestic product (GDP) to 52 per cent by 2050, Asia would regain the dominant economic position it held some 300 years ago, before the industrial revolution…

The rise of Asia has been largely caused by the rapid economic growth of its maritime-configured rim-land, comprising established and emerging powers such as China, Japan, India, and some Southeast
Asian countries. Among the key drivers for the rise of Asia is the demographic trajectory of the continent in terms of growing numbers of an educated populace, as well as the consumerism of the growing middle class.

**The Backdrop**

The idea of ‘Asian Resurgence’ was first expressed nearly seven decades ago—during the 1947 Asian Relations Conference held in New Delhi. The backdrop of the Conference was the one and a half-century of western colonialism which drained Asia, and divided the Asian territories in a manner that did not permit the emergence of a pan-Asian identity. The Conference also represented a first attempt to assert Asian unity. At this Conference, the then Indian Prime Minister, Jawaharlal Nehru, stated,

> Asia is again finding herself...one of the notable consequences of the European domination of Asia has been the isolation of the countries of Asia from one another. ...Today this isolation is breaking down because of many reasons, political and otherwise... This Conference is significant as an expression of that deeper urge of the mind and spirit of Asia which has persisted...In this Conference and in this work, there are no leaders and no followers. All countries of Asia have to meet together in a common task...

It was in this environment that ‘Panchsheel’—the first formal treaty codification between China and India—was conceived in 1954. Its aim was to chart an alternative path of world politics in the aftermath of World War II and the end of colonialism. It is debatable whether this erstwhile idea of ‘Asian Resurgence’, and the stated ‘ways and means’ to achieve it were prophetic, or merely a wish-list. But, what is more important is that after decades of reform and reconstruction within Asian countries, the ‘phenomenon’ of Asia’s economic ‘rise’ actually began to materialise, beginning with the East Asian economies (Japan and South Korea), followed in succession by Southeast Asia’s ‘Asian Tigers’, China and India.
**Latest Trends**

Thus, the global discourse on ‘an Asian Century’ began many years ago. Lately, however, the emphasis on the eastward shift of global power from the Anglo-Saxon West to the Asian region has attained immense traction due to various factors. The first has been the global economic crisis of 2008; this initiated the shift of the world’s economic focal point towards Asia. In the following years, this led to a progressive decline of the USA as a comprehensive global power, at least in relative terms. The third factor is the more recent rise of the so-called ‘Asian Quartet’, which has received world-wide attention. The Asian Quartet refers to China, India, Japan and Indonesia, whose ‘clear-eyed’ political leaders are pushing for growth-oriented policies and mutual prosperity, thereby redefining the geo-politics of Asia and the nature of transactions among the regional countries.

Given the proactive region-wide approach of these dynamic leaders to enhance economic connectivity and establish partnerships based on new norms, the prospect for boosting intra-Asian trade and commerce is brighter than it has ever been in the past. This has led to a major transformation of global geopolitics, the manner in which the rest of the world looks at Asia, and the perceptions of countries of their own region within Asia. It may not be misplaced to aver that the new concept of ‘Indo-Pacific’ germinated in the backdrop of the rise of Asia, which is slowly creating the geopolitical imperative to expand the erstwhile concept of the Asia-Pacific westwards to encompass the entire Asian region.

**The Economic Dimension**

Amid slow growth in the USA and protracted austerity in Europe, intra-Asian demand is likely to become a more central driver of regional growth. Today, China has become the top trade partner for many of Asia’s major economies, and is a growing source of manufactured exports.
to the rest of the world. In 2009, it surpassed the USA as the world's largest energy consumer. In 2008–09, together with India, it accounted for 21 per cent of global energy consumption. By 2035, the two countries alone are likely to account for 31 per cent of the world's energy demand. Notably, the discovery of oil in West Asia in the beginning of the twentieth century could have translated into immediate economic dividends for Asia. However, this could not happen for nearly a century since it took time for the Asian countries to shake-off the yoke of colonialism, and develop their industrial base and economies to the present levels.

Asian growth has been ignited by a new wave of economic liberalisation, internally generated. This growth, and the development of new technologies to facilitate communications and trade, has transformed domestic economies and global markets. Forty per cent of global economic activity now occurs in Asia, led by the East Asian, Southeast Asian and Indian economies. The arterial shipping routes across the Indian Ocean, the South China Sea, and East China Sea have become ‘maritime lifelines’ of these Asian economies, both for the import of energy resources/raw-materials, and for their sea-borne exports. Some major global trans-shipment hub-ports in South and Southeast Asia have emerged, ranging from Colombo to Singapore, and Tanjung Pelepas to Hong Kong. Every year, about 70,000 ships pass through the Malacca Straits linking the Indian Ocean to the Western Pacific, carrying 80 per cent of the crude oil requirement. More than 30 per cent of India's total merchandise trade also transits east through the Malacca Straits.

In just the past 20 years, China and India have almost trebled their share of the global economy, and increased their absolute economic size six times over. By 2025, Asia will account for nearly half of global economic growth. By then, China alone will drive a quarter of the world’s economic growth. Asia will have four of the 10 biggest economies in the world: China first, India third, Japan fourth
and Indonesia tenth. Today, there are about 500 million people in Asia comprising the ‘middle class’. By 2020, this economy-spurring class is expected to rise to 1.7 billion people, and by 2030, to more than three billion, with Asia accounting for about 60 per cent of global middle-class consumption.

**China’s Key Role**

China’s rise has already had a profound impact on the world, and particularly on the rest of Asia. In the coming years and decades, its influence is likely to gather greater momentum. However, China’s role in Asian geopolitics, Asian economics, and Asian security will be significantly determined by its relations with the other Asian countries. Over the years, China’s economic linkages with these countries have deepened through trade and investment, providing a valuable buffer against conflicts and easing tensions in regional relations. China’s role in Asian affairs would also be impacted by its relations with the major extra-regional stakeholders in Asia, notably the USA.

**Challenges and the Way Ahead**

While the conceived ‘rise of Asia’ is accompanied with immense opportunities for the world, and particularly for the countries of the region, it encounters several challenges. To sustain their economic growth, many Asian countries would need to avoid the middle-income trap. Many Asian countries that have achieved modest development levels are more vulnerable to falling in this trap. On the one hand, due to rising labour costs, they are unable to compete with low-wage economies involved in exporting manufactured goods. On the other hand, they still lack the high-skill and technological base to compete with advanced economies in such exports.

Some Asian countries would also need to grapple with the issue of aging population, leading to plateauing, or even a decline, of economic productivity. The sustained availability of natural resources and raw-materials—that factor environmental issues—would also be
at a premium. The maritime-based economies of Asia may be in an advantageous position in terms of the availability of these resources; but these countries would also need to adopt the emerging tenets of a ‘Blue economy’ to make these natural dividends available over the long haul. No doubt, the maritime-oriented export-led economies would benefit more in terms of economic connectivity; but unless the dividends of such connectivity are available to the land-locked countries/regions, the outcomes would be sub-optimal for all regional countries. China’s BCIM corridor project is a welcome initiative in this direction.

Also, security issues represent some complex challenges to Asia’s rise. The resolution of maritime-territorial disputes in the South China Sea and the East China Sea represents a major challenge, with the attendant issue of freedom of navigation, and international law. A peaceful resolution of these concerns through trust-building, transparency and consultative approach would be needed to facilitate Asia’s rise.

Notably, economic ties between China and its Asian neighbours remain strong. For instance, a free trade agreement between China, South Korea and Japan is making encouraging headway. The options for the Asian countries are clear: if they work together to co-ordinate their policies, minimise friction, and complement one another’s competitive advantages, they could create a booming Asian trade area that could more than offset the financial gloom in Europe and the USA; if they focus instead on zero-sum competition, including over issues of territoriality, Asia’s development and domestic growth will suffer.

There are several other challenges confronting Asia. The regional countries continue to be highly susceptible to instabilities due to political factors or fundamentalist ideologies. Such instabilities lead to intra-state centrifugal tendencies and trans-national terrorism. Many Asian countries are also facing major adversities in the form of non-traditional security threats such as water security, food security, energy security, sea-level rise, and other adverse effects caused by climate change, and large-scale ecosystem degradation. These pose severe challenges to the sustainability of human activity in both
The Emerging World Order and the ‘Rise’ of Asia

economic and security terms. Besides, there are wide disparities among the regional countries with regard to their levels of development and their capacities to deal with the emerging insecurities. How these interrelated challenges are managed will have implications for all people in all countries, and for all future generations.

Multilateral Institutions

India endeavours to sustaining its traditional political equities in the developing world, and building groupings with other powers as an attempt to strengthen its dialogue through multilateral organizations. India is eager to use regional institutions to consolidate synergy in the subcontinent, consolidate its profile in the Indian Ocean, and contribute to the balance of power in the Indo Pacific through active participation in Asian initiatives.

To foster economic synergy among the countries and mitigate the security risks, the Asian region would need to strengthen multilateral institutions like the East Asia Summit (EAS), ASEAN Regional Forum (ARF), and the Indian Ocean Regional Association (IORA). The ‘mandate’ would need to be married to ‘capacity’, with those that have more capacity in relative terms, playing the more significant role.

Conclusion

The ‘Rise of Asia’ is a key driver in the emerging world order, and a major factor that would shape its contours in the coming years and decades. However, as the ADB report says,

Asia’s rise is by no means preordained... Although this outcome, premised on Asia’s major economies sustaining their present growth momentum, is promising, it does not mean that the path ahead is easy or requires just doing more of the same. Indeed, success will require a different pattern of growth and the resolution of a broad array of politically difficult issues over a long period. …To achieve this promising outcome, Asia’s leaders will have to manage multiple risks and challenges.
In the coming years in particular, Asia’s national leaderships would need to reconcile the difficult strategic dilemma of a choice between economic integration and achieving territorial objectives in a setting wherein economics and security are closely interwoven. In other words, we would need to make tough choices between two Asias that have emerged, which are inseparable, yet incompatible. One is the ‘Economic Asia’—a dynamic, integrated Asia, with 53 per cent of its trade now being conducted within the region itself, and a US$19 trillion regional economy that has become an engine of growth; the other is the ‘Security Asia’—a region of mistrustful powers, prone to escalating their territorial issues and, in the process, ignoring the more serious emerging pan-Asian non-traditional security and fundamentalist threats.
Principles for Rebuilding Trust between China and India

Mao Siwei

A few days before the Chinese Present Xi Jinping’s India visit, Nirmala Sitharaman, the Indian Minister of State for Commerce and Industry, said, “After fifty years, China-India relations will get a directional change. Mutual relations will improve”.¹ She was addressing the Indian media. At the same time, the Ambassador of China to India, Le Yucheng, gave an interview to the Chinese Media based in New Delhi, in which he said that President Xi’s forthcoming visit “will be a milestone, pushing the strategic cooperation partnership between the two countries to a new high”.²

Unfortunately, these beautiful predictions have not been realised, at least for the time being. According to the Indian media, on 24 October 2014, Home Minister Rajnath Singh said that India wants peace with China, but that cannot come at the cost of honour.³ The Global Times—a Chinese language newspaper with government background—published an article (7 November 2014), which said that unfriendly words and actions have been said and done more than once by the Indian side recently, and the Chinese side needs to be alarmed and prepared.⁴

China-India relations have been in a confusing situation for years: on the one hand, China has become the largest trading partner of India, and economic cooperation between the two countries is at its best. On the other hand, political trust between the two sides has been
eroding, even touched the lowest point since the Indian nuclear tests in 1998.

Naturally, for the fundamental interests of the two countries, trust-rebuilding between China and India is desperately needed now. A close observation of Sino-Indian relations over the last twenty years indicate that some principles should be established and followed to ensure that the issue of trust-deficit is addressed appropriately.

**Principle One:**
**The Boundary Issue—Settlement, not Sensationalism**

Generally speaking, the Indian media has been very sensitive to the situation on the Sino-Indian border areas. Whenever something happens there, no matter how big or small, a media campaign is launched immediately against a so-called ‘Chinese Incursion’. However, due to the two sides having their different perceptions regarding the alignment of the Line of Actual Control in some sectors of the border areas, it is understandable that restricted face-offs do take place sometimes. In comparison, the Chinese side usually keeps a low profile, and publicly calls such face-offs as ‘border related incidents’ rather than ‘Indian incursions’. Obviously, this is because they do not want any escalation in the war of words.

Because of the Indian media hype of the so-called ‘Chinese Incursion’, it is widely believed that the PLA are always aggressive, and that the Indian troops are usually at the receiving end. The truth, however, might be quite different, since in TV panel discussions, many Indian military experts have been saying for some time that the Indian troops are very confident and energetic, and are quite able to protect every inch of Indian territory through aggressive patrolling.

With regard to the large-scale border face-off which occurred when Xi Jinping was in India, a detailed Reuters report stated that at both
of the two places on the borders in the western sector, the first steps in
the chain of events leading to tension were actually taken by the Indian
side. On August 18 in Demchok, Indian villagers started building an
irrigation canal, and the Chinese side protested saying it was located
inside its territory. On September 8 in Chumar, it was the Indian troops
who were the first to erect an observation hut on a hillock, following
which the Chinese side swiftly made its response.5

For the Chinese side, there are some lessons that need to be learnt.
In 2013, Li Keqiang made India his first foreign visit as the Prime
Minister of China; in 2014, President Xi was the first leader of a big
country to visit India soon after Narendra Modi became the Prime
Minister. These two successive visits within two years clearly indicate
the great importance China attaches to India, and the great sincerity
China has for the Sino-Indian relations. However, both of the carefully
prepared high level visits were disturbed by ‘border related incidents’.

Thus, history has shown us once again that the trust-deficit between
China and India is deeply rooted in the outstanding boundary issue.
However, since the area of the disputed land is very large and neither
side can make any substantial compromise for a final settlement, it
seems that the only possible way would be to go back to the 1993 and
1996 agreements between the governments of the two countries, thus
restarting the process of clarification and confirmation of the Line of
Actual Control. This could be a formula to solve the issue temporarily,
and shelve it for a long time. It may satisfy neither side; but it is the
only solution that both sides have accepted until now.

**Principle Two:**
**No Interference in Internal Affairs**

No interference in each other’s internal affairs is a pre-condition for a
normal relationship between countries. Historically, both China and
India have made big mistakes in this regard when the Sino-Indian
ties were not mature enough. In 1959, the so-called Tibetan Exile Government was established and supported in India. In 1967, China’s People’s Daily published an editorial titled ‘Spring Thunder over India’, and declared: ‘How joyfully the Chinese people applaud this revolutionary storm of the Indian peasants in the Darjeeling area!’

Although the past has become history, the historical lessons learnt are still relevant today. A few months ago, the head of the so-called Tibetan Government in Exile, Lobsang Sangay, was invited and participated in the oath taking ceremony of Indian Prime Minister Modi. The Chinese people were surprised by the news, and failed to understand it.

**Principle Three:**
**Respect for Core Interests and Major Concerns in Regional Affairs**

As both China and India are rising, the range of their regional interests is becoming wider. There has been a new trend that India is moving east, and China is facing west. In these new circumstances, how to communicate their strategic intentions to each other will be a big challenge in the next ten years in Sino-Indian relations.

In the past few months, some strategic thinkers in India confused the China-initiated ‘21st Century Maritime Silk Road’ with an imaginary ‘String of Pearls’ strategy, expressing worry that India will be encircled by China on the sea. Obviously, it is necessary that China gives clear-cut elaborations regarding its strategic goals, general plans, and implementation procedures relating to the Maritime Silk Route initiative in order to make all concerned countries, especially India, remove their strategic suspicions.

However, there is no doubt that the shipping lanes through the Indian Ocean are deadly important for China’s survival, as her energy import and external trade are mainly dependent on the Indian
Ocean transportation routes. Therefore, for the purpose of protecting its legitimate maritime interests, it is understandable—and even unavoidable—that China will, sooner or later, have a limited military presence in the region. However, here one needs to consider the geographic fact that India is virtually the only power in the Indian Ocean Rim Region, and the Indian Navy enjoys many natural advantages. Thus, friendly understanding and a certain kind of military cooperation with India will be the key for the success of China’s future westward movement.

Similarly, some Chinese strategic analysts worry about India’s intentions in its eastward strategy. Attracting a lot of attention, India recently enhanced its two decades-long Look East Policy to a new level by describing it as Act East Policy. It also associated it clearly with the USA’s Rebalance to Asia, with both sides ‘committing to work more closely with other Asia Pacific countries through consultations, dialogues, and joint exercises’.\(^7\) Considering the current tensions in the East China Sea and the South China Sea, Chinese scholars may have reasons to wonder about whether India is trying to challenge Chinese interests in East Asia.

We know that the USA is still the only superpower in the world, and naturally, both China and India want to have a good relationship with that country. But we also know that it is an obvious truth that today’s America is no longer as powerful as it used to be. One can even find uncertainties in America’s high profile strategy of Rebalancing to Asia. Two years ago, when he was visiting India, the former American Secretary of Defence, Leon Panetta said: “Defence cooperation with India is a linchpin in America’s new defence strategy”.\(^8\) And in November 2014, President Obama declared in Beijing: “A strong, cooperative relationship with China is at the heart of our pivot to Asia”.\(^9\) Thus now, regional exchanges and cooperation between China and India are no longer an academic topic, but an urgent task of policy making.
Recommendations

• At the political level, India should avoid taking a position on the maritime territorial disputes between China and Japan, and China and some South East Asian countries, while China should continue its neutral position on the Kashmir dispute between India and Pakistan.

• At the military level, the Navies of the two countries need to start substantial dialogue as soon as possible, establishing an exchange mechanism with various levels and channels, making every effort to avoid strategic miscalculations and possible face-offs or conflicts on the sea.

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The Evolving Security Environment in the Asia-Pacific and the Indian Ocean Region
In recent years, the Asian region has witnessed a transformation in the geo-political and security environment as rapidly as never before since the end of Cold War. Notably, this change has been particularly pronounced in the past five years, as compared to the preceding two decades since the end of Cold War. The changing security environment in Asia is now being seen in two discrete geographical subdivisions: Western Asia and Eastern Asia. See Figure below. Both areas are becoming increasingly relevant for both China and India.

**Figure : Asia's Major Geo-Security Divisions**
In their own ways, both China and India are geographically sandwiched between the two areas: India across the Asian ‘rim-land’, and China across the Asian ‘heart-land’. Hence, developments in any of these areas strongly impact on the national security interests of both China and India. Notwithstanding the security cross-linkages between the two areas, it is necessary to assess the security environment in the two areas separately for greater clarity. This essay attempts to assess the salient security developments, along with the emerging military balance and security multilateralism in these two areas in the context of the national-security interests of China and India.

**Developments in Western Asia**

The security dynamics of Western Asia may be best analysed by examining its two constituent areas: Iraq-Syria/ISIS, and Afghanistan-Pakistan (AFPAK).

**Iraq and Syria**

Recent developments in Iraq and Syria represent the manifestation of Islamic fundamentalism in the form of the organisation called *Islamic States in Iraq and Syria* (ISIS), and the extreme belief that it represents. The ISIS seeks to establish a region-wide Islamic caliphate in the area, and draws strength from the extremist ‘Jihadi’ philosophy of terrorist groups like Al Qaida. The ongoing conflict against ISIS presently involves the USA and its western allies. However, it bears severe security ramifications for Western Asia in particular, and for the world at large, including China and India. Already, the refugees from Iraq and Syria are spilling over into the neighbouring countries, and causing a strain on their national security. News reports indicate that the quest of ISIS for acquiring Iranian nuclear weapons with the help of Russia\(^1\) represents a more serious potential global threat in the longer-term. Other reports talk about ISIS planning to buy islands from Yemen and Comoros in the Indian Ocean to establish military bases. This adds a maritime dimension to the threat.
A recent meeting of the Shanghai Cooperation Organization (SCO) in Tajikistan saw its members sharing the same fear that India has (besides Europeans and Americans) that their citizens have joined ISIS in Iraq and Syria. President Xi Jinping, in his address to the SCO heads of states, stated, “We should make concerted efforts to crack down on the ‘three evil forces’ of terrorism, extremism and separatism.” Beijing is known to be contemplating a response to comments made in early July 2014 by ISIS, which spoke of revenge against several countries, including China, for seizing ‘Muslim rights.’ The question that arises is: What must China do, considering its continental contiguity to West Asia, and its energy security imperatives? It is pertinent to note that China is Iraq’s largest oil importer, and owns more than 20 per cent of Iraqi oil projects.

On 3 September 2014, Al Qaida declared intent to carry its ‘Jihad’ to the Indian sub-continent. Three days later, the fundamentalists undertook an unsuccessful attempt to take control of PNS Zulfiqar in Karachi, with the aim of striking US warships operating in the area. Following the incident, the Indian Navy placed its warships on high alert. This may be a precursor to maritime terrorism in the area. ISIS also has plans to buy islands from Yemen and Comoros in the Indian Ocean ‘to establish a military base on the flank of the Arab lands.’

The US-led coalition is thickly into defeating the ISIS. The question that everyone is asking is: Will they succeed? There are a few reasons to be optimistic about the outcome. The first is ‘geopolitical’. Besides the ISIS and the Coalition, the problem involves many other actors with conflicting interests: Turkey, Iran, Saudi Arabia and the Kurdish population. This has woven a complex web of interfaces and dilemmas. The second reason is ‘operational’: the US-led coalition’s policy of not having ‘boots on ground’. Whatever measures the US coalition adopts, including precision air strikes, the local land forces fighting ISIS are unlikely to succeed without the ground support of
the coalition. Even before it was asked, Turkey refused to provide a base for a ground offensive. In fact, ISIS even considers Turkey as an ‘ally’.9 The increasing presence of a civilian population in the operational area would only aggravate the problem of distinction while targeting from the air.

The ISIS, and the more recent political instability in Yemen linked to the Iran-backed Shiite armed militia—leading to the US committing its naval resources to the area10—are putting the US to test in terms of its commitment to the ‘Rebalance’ to the Asia-Pacific. In this context, it is interesting to recall the public lecture on ‘The US Rebalance to Asia’ by Professor Ashley Tellis in January 2014, wherein he said that the US War on Terror in Afghanistan (beginning 2001) was a ‘distraction for the US’ to grapple with its more pressing challenge of dealing with the rise of China, and that the USA’s Rebalance policy has come a decade too late.11 It is unlikely that the USA would like to be ‘distracted’ again from its focus on China. This would dilute the US commitment to counter the emerging challenge posed by the ISIS.

**Afghanistan-Pakistan (AFPAK)**

The instability in the Afghanistan-Pakistan (AFPAK) area is led by the Taliban. Even though the Taliban does not harbour the extremist ‘Jihadi’ ideology of the Al Qaeda, the post-2001 Afghanistan instability has served to spur Islamic radicalism. This radical ideology has also spread to Pakistan, leading to the emergence of the Pakistani Taliban. The links of the Afghani and Pakistani Taliban with ISIS are also being unravelled. It is known to be lately making inroads into AFPAK, by the distribution of pamphlets published in local languages to Afghans and Pakistanis in Peshawar, the Pakistani city that borders Afghanistan. These pamphlets invite citizens of both Afghanistan and Pakistan to pledge allegiance to Abu Bakr al-Baghdadi, the self-declared caliph of ISIS, and join the jihad against non-believers.12 In response, the Pakistani Taliban declared its allegiance to ISIS, and ordered militants
across the region to help in its campaign to set up a global Islamic caliphate. Some Afghani militant groups are also considering aligning themselves with the ISIS.

For future stability in AFPAK, the indicators are hardly propitious. On 28 December 2014, the US and NATO formally ended their 13-year long military operations in Afghanistan. With Pakistan battling Islamic radicalism within its own borders, Islamabad is unlikely to be willing to play a stabilizing role in Afghanistan. Besides, the lines between Pakistan’s military and Al-Qaida have also blurred lately, as evidenced by the early-September 2014 attempt to hijack PNS Zulfiqar at the Karachi Naval base (as mentioned earlier), which involved Pakistan Navy personnel.

Al Qaida’s announcement in September 2014 to carry its ‘Jihad’ to the Indian sub-continent (as mentioned earlier) is likely to encourage Pakistan-based terrorist outfits to target India, including through a repeat of the November 2008 Mumbai terrorist strike (26/11) via the sea. On 1 January 2015, the Indian Coast Guard foiled a 26/11-type maritime terrorist attack by two explosive-laden Karachi-based trawlers off Gujarat. Following an hour long hot-pursuit, one of the trawlers blew itself up. This incident could be a precursor to repeated attempts of this kind.

Both the ISIS and AFPAK developments represent increasing and grave insecurity on China’s western periphery. The key questions that arise here are:

- How will Beijing resolve the dilemma to assist the US-led coalition to eliminate the rise of Islamic fundamentalism in Western Asia, while also safeguarding its interests in the Western Pacific against the US and its allies?
- Could Beijing help in convincing Islamabad (and more importantly, Rawalpindi—the seat of Pakistani military power)
to focus on this emerging threat, and its internal fault-lines, rather than on issues with India?

**Developments in Eastern Asia**

The security dynamics of Eastern Asia (encompassing the sub-regions of East Asia and Southeast Asia) largely pertain to maritime-territorial disputes, and a struggle for the balance of power. (Here, ‘power’ stands for ‘comprehensive power and influence’ rather than the erstwhile concept of ‘military power’.) Lately, this has manifested in a hardening of stance by the concerned actors in various ways. The salient developments of late are enumerated in the succeeding paragraphs.

**Assertion of Maritime-Territorial Claims**


- China: Enhanced policing, deployment of oil-rigs, erecting structures on islands, promulgation of Air Defence Identification Zone (ADIZ) in the East China Sea.

- The Philippines: Initiation of international arbitration against China on the maritime dispute in the South China Sea.

**China-US Strategic Tussle**

- USA: In 2010, the USA injected itself into maritime disputes against China, adding to its long-standing implicit support to Taiwan. It has been strengthening the military defences of its regional allies. This is exemplified by its recent decision to deploy an X-band ABM radar in Japan’s Kyoto prefecture.

- Japan: It is a major factor in the regional balance of power. It is facilitating the objectives of US Rebalance Strategy. In April 2014, China called for USA to restrain its ally Japan.
The Evolving Security Environment in the Asia

- Reorientation of Military Strategy/Operational Concepts: Both China and the USA are reorienting their respective military strategies and operational concepts to ‘out-manouvre’ the other. It is China’s Access Denial versus the US Maritime Access. In other words, China AA/AD concept is pitted against the US Air Sea Battle concept.

- Assertion of Freedom of Navigation/Overflight: This is being done by both the US and China, with potential for intelligence collection activities.

**Southeast Asia: The Case of ‘Grass being Trampled’**

The China-US struggle for a favourable balance of power is squeezing Southeast Asian countries, causing dilemmas and severely limiting their strategic options. Hence, they are engaging with China, but also hedging against it by seeking a collective approach—including at multilateral fora like the ASEAN—and also by strengthening alliances/partnerships with other powers like the USA, Japan and India. The examples of such partnerships in various forms are: Philippines-USA, Malaysia-USA, Indonesia-USA, Vietnam-USA, Vietnam-Japan, and Vietnam-India.

Presently, the ignition-point in Eastern Asia is lower by many notches than it has been ever before in the past. Economic interdependence is an important factor preventing a military conflict. But history has shown that this is a rather weak premise to bank upon.

**Military Balance: Eastern Asia**

The trends of military capabilities in Asia, and the attendant military balance is the bellwether of the emerging regional security environment. In the context of Eastern Asia, these trends are examined below.

Among the world’s top-ten military forces, four of these—China, North Korea, South Korea and Vietnam—are located in Eastern Asia.
If India is added, it becomes five. Given the growing American military presence in Asia consequent to USA’s ‘Rebalance’ strategy, the figure increases to six. The Japan SDF capabilities are also growing very rapidly. This will soon make it seven. Hence, very soon, seven of the top-ten military powers in the world will be located in Eastern Asia. This phenomenon may be concomitant with ‘Asia’s rise’; but it does not auger well for Asia, and its future generations.

It is also notable that the military capabilities in Eastern Asia are optimised for high-end military operations. These include power-projection capabilities in the form of aircraft/helicopter carriers (China’s Shilang and Japan’s Izumo-class carriers), fourth-generation plus maritime strike aircraft, submarines (including nuclear propelled ones, and North Korea’s modified Golf-class ballistic-missile submarine), expeditionary sealift platforms (Chinese Type 071/ 081 LPDs, and South Korea’s Dokdo-class). Most of these platforms are not meant for low-intensity or humanitarian operations, even though some of these can be used for these low-end tasks, since naval capabilities are inherently fungible.

**Military Balance: Western Asia**

In contrast to Eastern Asia, Western Asia is home to only one of the world’s ten largest military forces of the world: Pakistan. Hence, most countries in this area have stagnant military/naval capacities, a few of these with insufficient capacity even to deal with increasing low-intensity threats. Unfortunately, the only major military power (Pakistan) is more obsessed with India than any other security issue in the region.

The key question that emerges is: Are military capacities in Western Asia adequate to enable states to counter the rapid spread of Islamic fundamentalism, including in the maritime domain? The answer may not be very encouraging. It may be noted that, in early 2014, ISIS forces used anti-tank guided weapons to destroy five M1A1 Abrams
tanks of the Iraqi army, and shot down six of its helicopters using light anti-aircraft guns and rocket launchers.25

Security Multilateralism

Both economic and security multilateralism are essential for Asia to overcome the challenges to its wellbeing and resurgence. However, while economic multilateralism in Asia is progressing well, security multilateralism still has a long way to go to be effective in addressing the security challenges in Asia. In Western Asia, with the two relevant countries Iran and Iraq not being members of the GCC, a multilateral security structure is virtually non-existent. In Eastern Asia, the structures are not any better, even to cater for benign humanitarian disasters. The lack of a coordinated ASEAN approach to Typhoon Haiyan in the Philippines26 or, for that matter, even to respond to the Malaysian MH-370 airline disaster,27 are cases in point.

Conclusion

It is widely believed that the Rise of Asia is not guaranteed. The process would be accompanied with significant security challenges. The emergence of new threats in Western Asia linked to religious fundamentalism, as well as the aggravating military threats in Eastern Asia do not auger well for Asia’s future. Besides, the increasing disparity in military power among Asian countries would also act to the detriment of regional peace and stability, and will increase the potential for the politico-military coercion of weaker states.

Since economics has always been closely interlinked with security, the economic progress and developmental agendas of Asian countries would be impacted by the security environment and the attendant geopolitics in a major way.

As major regional powers, China and India have major stakes in Asia. In turn, Asia’s future would be determined by the approaches
of these two powers, and the nature of their bilateral relations. Thus, both countries would need to continually undertake assessments of the regional security environment as well as the trends and their impact on the national security interests of each other. This would enable them to identify the convergences and the potential for bilateral security cooperation, and adopt common approaches in a constructive manner.

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Sino-Indian Relations: The Chinese Perspective

Ouyang

Although Sino-Indian relations have maintained an overall stable status in the past few years, the ‘trust deficit’ between them has actually been increasing. Now, the two strong governments are trying to improve their relations and take them to a new level. This essay is an attempt to describe India’s decision-thinking towards China from the perspective of a Chinese scholar, and analyse the main divergences between the two countries. It also makes some suggestions for the future of Sino-Indian relations.

India’s Decision-thinking Towards China

Generally speaking, the foreign policy of big powers is more stable than that of smaller countries. India is the dominant country in South Asia, and its China policy is unlikely to ‘mutate’ with the changes in its parliament. There are some ‘shaped’ decision-thinking and ‘inheritance’ in India’s China policy.

China: India’s main potential challenge

Although both countries are rising powers, the gap in their Comprehensive National Power (CNP) is rapidly expanding. Firstly, considering the unsolved boundary dispute, China’s defence modernization will be the biggest challenge for Indian national security strategy in the next decades. Secondly, the Sino-Pakistan ‘quasi-alliance’ is aimed to contain India. Thirdly, China is trying to expand
its presence in Indian Ocean Region (IOR), and the activities of its submarines in Indian Ocean (IO) are ambiguous. Anyway, it is quite possible for China to challenge India’s hegemony in South Asia.

**India reinforcing its counterbalance toward China**

Indian public opinion supports the government’s decision to strengthen its military deployment along the controversial boundary between the two countries to avoid a replay of the misery of 1962. Also, some strategists are appealing to the government to reinforce defence relations with other regional powers such as Japan, Australia and Vietnam in the Western Pacific. Although there are some huge divergences over discussions regarding the US-India alliance, India is actively promoting strategic coordination with the USA in the hope that the latter will cover the shortage with China in CNP, and ‘pin[ning]’ the Chinese Navy (PLA-N) in the Western Pacific.

**Developing economic and trade relations with China: a Necessity for India**

Now that the global economic center is returning back to the East, the Modi government is keen to work on ‘economy and development’, and the future of his ‘Act East’ policy lies in reinforcing economic and trade relations with East Asian countries, especially China.

**India-China: The Main Divergences**

Generally speaking, there are three main divergences in the Sino-Indian relations: First, historical legacies which include: the border issue, the Tibet issue; and their derivatives such as the visa issue. Second, structural conflicts under the regional security structure which include: the Sino-Pakistan ‘quasi-alliance’, PLA-N’s activities in IOR, India’s role in the maritime disputes between China and its neighbours, and the strategic triangle of China, India and the USA. Third, the economic and non-traditional security issues which include issues like the trade imbalance between the two countries, and the cross-border water resources issue.
Border issue solutions and the ‘unlocking’ of Sino-Indian relations

The border issue is a historical one and forms the core interest of the two countries, especially because it has ‘fermented’ over the past few decades, and spread out numerous other barriers such as the frequent ‘cross border’ accidents, the ‘stapled visa’, the ‘Tibet card’, etc. It will be very difficult for the two countries to make up the ‘trust deficit’ if this issue is not arranged well.

Now, the two countries are trapped into the ‘security dilemma’ of military capacity-building along the disputed boundary. India has been trying to maintain a quantitative edge over China along the disputed areas over the long term. Because of the widening GNP gap as well as China’s advantage in border infrastructure, it is becoming more and more difficult for India to keep the same ‘quasi-equilibrium’ with China as it did before, and the unbalanced military capacity could enhance China’s determination to use military options for dealing with the boundary issue.

India also worries about the China’s ‘oscillating’ attitudes toward the boundary negotiations. Many Indian strategists believe that China never laid claim to the whole Arunachal Pradesh during the era of Mao and Deng; but this is very different from what accrues today. Moreover, Indians also believe that the two countries had signed some agreements to verify the Line of Actual Control (LAC), and even tried to exchange border maps, but that all this was suddenly and unilaterally suspended by the Chinese government. Many Indian scholars view these changing attitudes as China’s willingness to take over the disputed areas by force in the future. Such uncertainties also increase Indian doubts regarding emerging new problems: Will Chinese officials follow the wishes of their people and use the aggressive notion of ‘South Tibet’ on formal occasions? Does China plan to announce the controversial areas as representing Chinese new ‘core interests’ which usually means that
China will exploit every means to defend its sovereignty? Will China’s behaviour in the Western Pacific maritime disputes be used to deal with India? Such questions are valid considering that China has declared the East China Sea (ECS) as an Air Defence Identification Zone (ADIZ) towards Japan.\(^7\)

The two strong governments make this decade the important Strategic Opportunity Period. India does not believe that the signed agreements can prevent border accidents which are rooted in the different attitudes toward LAC. Also, some strategists believe the current government in China could control the PLA much better than the previous one and thus, the two countries have the opportunity to reach an agreement to verify the LAC.

The structural conflicts under regional security structure should not be neglected. Two rapidly rising powers who lack in mutual trust usually come into increasing structural conflicts; these are reflected in Sino-Pakistan ‘quasi-alliance’, China’s ‘March West’, India’s ‘Act East’, and also the triangle of China, India and the USA.

India’s caution about the Sino-Pakistan ‘quasi-alliance’ and believes the Sino-Pakistan economic cooperation could help the latter become a normal country, which is also very good to India. However, India believes that the opaque cooperation between China and Pakistan in nuclear and missile technology is a grave threat to India. India also hopes China will strictly maintain a neutral position on the Kashmir issue, and stop the Chinese military engineers working in Pakistan Occupied Kashmir (POK).\(^8\)

The maritime security issue is also becoming a more distressing obstacle for the two countries. Although the government seems to believe that China has the ‘String of Pearls’ strategy in IOR, India is highly concerned about Chinese submarines in its backyard which do not always appear to be related to any anti-piracy operation.\(^9\)

India is trying to reinforce its maritime cooperation with regional powers (such as Japan, Vietnam, Australia and Indonesia) to ‘pin’
Sino-Indian Relations: The Chinese Perspective

PLAN in the western Pacific for the increasing gap between the China and India. The Modi government is also becoming more active in speaking out its positions in South China Sea (SCS) and East China Sea (ECS) than before when India never specifically mentioned the maritime disputes between China and other countries. After Modi’s meeting with Japanese Prime Minister Shinzo Abe in September 2014, the Tokyo Declaration (at the Sacred Heart University in Tokyo) mentioned the ‘freedom of navigation and civil aviation’ and ‘an 18th century expansionist mind-set’. These two statements were regarded as India’s official position; but it was also seen as criticism towards China’s announcement of ADIZ as well as an oblique comment against China which has dispute with Japan over Diaoyu islands in the East China Sea. There was also a specific reference in the India-US joint statement to the South China Sea (SCS) during Modi’s visit to US in the same month as before.

There are some divergences over the US-India alliance in India’s domestic press, which worried that it will push India to oppose China and lead it to becoming dependent on the USA. This does remain a possibility, since India may swing towards the USA in the future if it cannot effectively balance the PLAN’s presence in the IOR.

Economic and non-traditional security issues: More attention than before

China is the biggest trade partner of India, but the economic and trade relations between the two countries is far away from a reasonable level compared to China’s trade volume with other regional powers, not to mention the negligible bilateral investment. India believes that the trade imbalance is the main obstacle in the development of economic relations between the two countries, and that China should open its market for Indian banks, generic drugs and agricultural products, etc.

With the joint efforts of the two sides, their dispute over transboundary water resources is now under control. However, India tends
to continue maintaining pressure on China to make the later ‘take its responsibility’ in the future.

**Some Suggestions for the Future of Sino-Indian Relations**

India is the strongest resident power in IOR, and is inextricably linked to the China’s overseas interests. A positive and moving forward Sino-Indian relationship should be listed as the core standard, whether or not China’s South Asia policy is successful. India’s sense of crisis towards China has been increasing, and is accompanied by the widening CNP gap which is intensifying the structural conflict between the two countries. Although there is a possibility for India to deviate from traditional ‘swing country’ status in the regional security structure, India’s China policy will maintain consistency on the whole. China should take some countermeasures to maintain and develop better relations between the two countries.

**The Border Issue**

As the above analysis shows, India will be reluctant to cooperate with China in some important regional affairs if the border issue is not settled. However, India is the strongest resident power in South Asia and the IOR, and its support is essential for Chinese South Asia policy and its Indian Ocean strategy. Moreover, India has tried to connect the border issue with the ‘Tibet card’ by influencing the Dalai Lama to issue an endorsement of India’s stand on border issue. In other words, China must consider the border issue from a strategic viewpoint.

We should realize that the increasing confrontations alongside the disputed boundary are the consequence of rising nationalism on both sides, as also of improved patrolling conditions which help the soldiers reach no-man’s-land more often than before, leading to more meets during their patrols. Considering the misunderstandings regarding the LAC between the two countries, the risk of ‘brush fires’ is rising, even as the two sides continue to improve their border infrastructure.
India has been repeatedly asked for the clarification of the LAC; but this may eventually become the boundary between the two countries in the future—at least from Chinese perspective. This may cause big trouble for the two governments in the age of internet. Keeping this in mind, the two sides need to highlight that discussing LAC will not mean the final solution of the boundary issue; this might not allay all the concerns but effectively reduce the military confrontations. The two sides could start verifying the LAC from the sensitive but conflict-prone regions, and temporarily put on hold the more controversial but relatively stable area (such as Tawang).

Moreover, as for rising nationalism in the two countries, a favourable climate of public opinion is essential to the border talks. The people of the two countries should establish a proper concept about the boundary—something which has never been delineated before. The media plays an important role in this aspect, especially the Indian private media which usually reproduces some misleading propaganda from western countries.

Although China has declared that the South China Sea and Diaoyu Island are Chinese ‘core interests’, as also announced ‘ADIZ’ in the East China Sea, China has never done the same towards its boundary disputes with India. Also, there is another interesting phenomenon: the Chinese common people (including most Chinese scholars) are accustomed to describing the disputed areas as ‘South Tibet’. This phrase links more to Chinese nationalism; the Chinese government has never used this phrase on formal occasions. The Indian government should realize this special arrangement and acknowledge Chinese willingness to maintain peace and tranquillity in the border areas, and adopt proper self-restraint in the face of irrational nationalism and ulterior reports.
Sino-Pakistan Military Cooperation

This issue is listed as the second biggest obstacle (after the border issue) in the mutual trust between China and India. Even today, China’s South Asia strategy is still taking the ‘Sino-Pakistan all-weather friendship’ as its core. Pakistan is the strategic pivot for China, and plays an important role in China’s Indian Ocean strategy and its energy strategy. This means that the Sino-Pakistan relationship—which is mainly based on military cooperation—can only be strengthened and not be weakened in the future.

However, India is the strongest resident power in South Asia, and can directly influence China’s strategic or diplomatic effectiveness in this region. Pakistan is trapped in political instability and fragmented terrorism, which has caused some attention to the fact that this country may tilt towards becoming one of the new ‘failed states’. If this happens, Pakistan will lose its value as Chinese strategic pivot, and the escalating nuclear terrorism will also pose a huge threat to China. In this case, the international community (including China and India) should help Pakistan return back to becoming a normal country, and should actively push forward the peace dialogue between India and Pakistan. Also, China should try to reconsider its South Asia strategy, and view the progressive Sino-Indian relations as being of the same importance as the Sino-Pakistan all-weather friendship.

Nuclear and missile cooperation is India’s main concern in Sino-Pakistan relations. Nuclear technology can be put to both civil and military use, although it is impossible for China and Pakistan to stop (even postpone) civilian nuclear cooperation according to India’s concerns. The three countries should seriously consider a trilateral nuclear dialogue to put the related cooperation and concerns on the table. The unstable domestic situation in Pakistan also poses a potential threat to China. There are some reports that some terrorist organisations are scheming to attack Pakistan’s strategic bases to take over strategic weapons and give some third country a big blow.\textsuperscript{14}
The Emergence of Maritime Hedging between China and India

Although there are some distinct divergences between India and China, they do not want any face-to-face confrontation. The rising maritime issue is now in the adjustment period, and the Chinese MSR project labelled regional economic cooperation does not necessarily mean that maritime conflict is inevitable as both the countries have a common interest in keeping the sea lines of communication open for their trade and energy flows.

Considering that the overlapping maritime ‘security boundary’ will enlarge along with China’s MSR and India’s ‘Act East’ in the next few decades, there is no better option than a bilateral maritime dialogue to minimise divergences and maximise common interests. India has set up many kinds of maritime dialogue with major marine powers like the USA, Japan, and even Pakistan; but the proposed Sino-Indian Maritime Dialogue has been moving very slowly. Actually, China has been playing a more active role than India in pushing forward this dialogue, as all the suggestions have come from the Chinese side. As early as March 2012, the former Chinese Foreign Minister Yang Jiechi (now State Councillor in charge of Foreign Affairs) paid a visit to India, and proposed to launch a bilateral maritime dialogue which was seen as a major confidence-building exercise between two countries. This proposal was welcomed by his Indian counterpart, S.M.Krishna. In February 2014, Chinese SR Yang paid a visit to India, and once again appealed to the two countries to undertake a maritime dialogue. Indian officials generally welcomed the suggestion, but said that the shape, nature and agenda of the dialogue remain to be determined. The Joint Statement between China and India after Chinese President Xi’s visit to India in September 2014 also mentioned the holding of the first round of maritime cooperation dialogue within this year to exchange views on maritime affairs and security, including anti-piracy, freedom of navigation, and cooperation between the maritime agencies
of both countries. Unfortunately, as before, nothing happened in 2014. Although some analysts believe the language barrier is the main reason for the lagging behind of navy exchanges, the strategic doubts and political worries on the Indian side cannot be neglected.

Also, some reasons for India’s dubious attitude toward China’s MSR include: first, only a few people in India know Chinese historical sentiments about the ‘Silk Road’; some Indian scholars even take it as the ulterior concept behind the ‘String of Pearls’, and do not believe Chinese willingness to making friends with all the relevant countries; second, India is a rising regional power which has its own cooperation strategies (or initiatives), and believes that it is not necessary to attend China’s initiatives as other small countries do; third, although more and more Indian scholars believe China’s MSR is an economic initiative in essence, they still doubt the spill-over effect of the MSR, which may be a challenge to India’s dominant role in South Asia (or IOR); fourth, the Modi government is more pragmatic than the previous one, and has not much appetite for abstract concepts, and is waiting for more details about this initiative. It is also ‘selectively’ attending some concrete projects, like those undertaken by the Asian Infrastructure Investment Bank (AIIB).

In order to improve their maritime relations, both sides should respect their major concerns and core interests, and then take the maritime cooperation in MSR as a confidence-builder and a catalyst for close collaboration in many other fields. For example, China should realize that the Indian Ocean is correlated with India’s national security interests. If necessary, China should inform India about its relevant activities in the IOR, and take a more cautious stance over Sino-Pakistan sensitive military technology cooperation (such as Submarine-launched Missile) in the future. Also, India should understand that the South China Sea, East China Sea, and Diaoyu Islands are Chinese core interests.

The two sides can use Maritime Dialogue to cover their misunderstandings on each other’s maritime strategy. They could also
take the opportunity of the MSR initiative to carry out maritime cooperation on non-sensitive areas. Maritime cooperation actually is much more than just naval exercises; they also deal with common, non-traditional security challenges and promote marine economic development. MSR is essentially a maritime cooperation project which includes port infrastructure construction, capacity building in law enforcement for safeguarding SLOC, the blue economy, building production bases along the MSR, and creating joint centres for research and development, climate change adaptation, pollution prevention and control, and even tourism and education, etc. In other words, there is great scope and enormous potential for maritime cooperation between China and India. Whether the Modi government attends to MSR or not, the two countries’ maritime cooperation is the general trend.

The China-India-USA Strategic Triangle

The Modi government is taking more active measures with some western Pacific countries to shape a new strategic balance towards China; however, it is impossible for India and the USA to build a strategic alliance in one or two days. India intends to use the US navy to pin the Chinese navy in the western Pacific area. At the same time, India hopes to use China to rebalance the USA in some global issues. In this strategic triangle, India keeps an eye on the two other’s joint interference in South Asian affairs and also worries that the USA will sacrifice India’s interests for better Sino-US relations. In this respect, progressive Sino-US relations and stable Sino-Indian relations will effectively reduce the possibility of an India-US strategic alignment. In other words, China should consider providing some diplomatic support to India as the US did—such as India’s aspirations to becoming a permanent member of the Security Council as well as the Nuclear Suppliers Group (NSG). Such measures would help in keeping this triangle more stable, and ease pressures on China from the western Pacific.
ENDNOTES


India’s ‘Look East’ and China’s ‘March West’ Concepts: Seeking Convergence
India’s ‘Look East’ and China’s ‘March West’: Seeking ‘Confluence’

Om Prakash Dahiya

The relationship between China and India is of global significance, perhaps only second to China-US relations. Both China and India are prominent Asian powers. The international community hopes that the two powers would avail of the emerging opportunities to engage with each other constructively as the world progresses towards the ‘Asian Century’.

This essay seeks to identify the opportunities and challenges for China and India to bridge the ‘March West’ concept with the ‘Look East’ policy. It also aims to examine the convergences and divergences, and identify the common grounds to promote cooperation in bilateral as well as multilateral fora.

India’s post-Cold War ‘Look East’ policy was initiated in the 1990s, with aim of engaging not only with ASEAN and East Asia in the economic domain but also to firm up strategic relations with these countries through extensive consultations on regional and global security issues and sustained engagement. India’s increasing energy requirements and economic growth have evinced New Delhi’s interest in the affairs of the Asia-Pacific. New Delhi perceives this region as an opportunity for securing its strategic and security interests. Almost, 33 per cent of India’s trade with the Asia Pacific transits through this region. The new government in New Delhi has lately provided a boost to India’s Look East policy in a manner that India can graduate from ‘Look[ing] East’ to ‘Act[ing] East’.
The strategic rationale for China’s engagement on its west is driven by, *interalia*, its dependence on Africa and the Central Asian Republics (CAR) for resources, the economic development of its western provinces, and the security of its energy ‘lifelines’ stretching across the Indian Ocean Region.

In the 1980s, India and China built a structure of cooperation on four pillars: regular summits and high-level meetings; military confidence-building measures; border negotiations; and increasing trade. In the following years, the emerging geopolitical realities and the new security environment made it necessary for the two countries to redefine their engagement.

Chinese foreign ministry spokesperson Hua Chunying said that, China is willing to work with India to integrate our development strategies, exchange our development experiences, synchronise India’s Look East Policy with China’s policy of opening up to the west, so as to seek common development and make due contribution to the world civilization.7

As Foreign Minister Wang Yi, Xi Jinping’s special envoy to India, said in a message to the Indian leadership under Prime Minister Narendra Modi, Chinese leaders pay attention to growing relations with India; common interests between the two countries far outweigh disputes; we are natural partners rather than rivals and the Chinese and Indian dream integrate with each other; so we should build closer partnership with each other.8

The rapid and simultaneous rise of China and India has raised some concerns about an inevitable, if not existential, competition between the two emerging powers. But, in the past, Chinese and Indian leaders have tended to emphasize that the relationship is stable, and have downplayed any talk of rivalry. According to former Chinese Prime Minister Wen Jiabao, ‘China and India are partners for cooperation
and not rivals in competition. There is enough space in the world for the development of both China and India.\textsuperscript{9} Similarly, former Indian Prime Minister Manmohan Singh has insisted that ‘India and China are not in competition… There is enough economic space for us both.’\textsuperscript{10} The growing convergence between the two countries is best exemplified by the rapid increase in bilateral trade: from US$2 billion in 2000 to US$70 billion in 2014; it is expected to touch US$100 billion by 2015.\textsuperscript{11}

While many opportunities emerge from the convergences between China and India, there are challenges as well. These are largely premised upon the divergences between the two countries; these include competing national interests and strategic considerations like border disputes, infrastructure development along the border, China-Pakistan relations, and the issue of river water diversion by China.

The greatest challenge to the increasing warmth in Sino-Indian relations comes from the intractable border dispute. The border problem is rooted in the competing nationalisms of India and China. As both countries were victims of imperialism, they have upheld territorial integrity and sovereignty as their supreme national interest. Also, both regard their territorial claims as righteous. Coupled with this, there are their competing strategic interests in an overlapping geopolitical region. It was no coincidence that Jawaharlal Nehru regarded China as a threat for he felt that Indian and Chinese cultures have been contesting for supremacy for hundreds of years in Central Asia, Burma, Tibet and the countries of Southeast Asia. Due to the competing nationalisms and diverse strategic considerations of both the countries, a final solution of the border dispute has remained elusive. In fact, the final solution of the border issue calls for a spirit of accommodation and compromise. So far, seventeen rounds of Joint Working Group (JWG) meetings on boundary negotiations, and six rounds of Special Representative Group (SRG) meetings have not yielded any solution to
this dispute. This is indicative of the complexities involved in the India-China boundary dispute. It is worth recalling Pei Yuanying’s (former Chinese ambassador to India) statement that ‘differences between the two sides on the border issue are too big to be completely solved in the near future.’

Sujit Dutta, a member of the India-China Eminent Persons’ Group, set up by the two governments in 2001 for high-level Track-II dialogue, has said,

a quick and easy solution to the boundary dispute does not exist unless India again makes a unilateral concession by accepting the imposed line of 1962. A reasonable and acceptable settlement would have to be worked out through a hard bargain whose outcome will be determined by relative power, perceptions of overall costs and gains, and diplomatic leverages.

China’s arming of Pakistan is a continuing concern for New Delhi. But, even on Pakistan, Beijing and New Delhi find their interests converging on different aspects. Political instability, the rapid expansion of Islamist extremism, and the growing radical influences in Pakistan have intensified China’s worries about Pakistan’s future, especially after the 2009 and 2011 riots in the Xinjiang, and the latest incidents of violence in the province. China has aptly identified the link between Uighur militants trained and based in Pakistan with the riots in Xinjiang.

China and India could find themselves in conflict over sharing of river waters. As industrialization increases the use of fresh water, India worries that the rivers originating in the Tibetan plateau and flowing southwards to India as a lower riparian state will be diverted to China’s own water-scarce provinces.

India’s strengthening ties with the USA and the instabilities in Tibet are also issues of contention. The South China Sea (SCS) is a major international route for sea trade. Though India is not party
to the maritime territorial disputes in the region, it holds an interest in maritime security and the Freedom of Navigation. New Delhi has reiterated its stance on underlining the necessity for unqualified access to international waters and the upholding of established tenets of international law. There are certainly some differences among countries on the issue of sovereignty. In the Indian perspective, these issues should be resolved through consultations as per international norms.

While relations between China and India are also beset by issues of military security, comprehensive cooperation is the only viable proposition. First, unlike past global powers—such as Britain, Germany, Japan, the Soviet Union, and the USA—whose rise was accompanied by the capacity to fight massive wars far beyond their borders, China and India cannot rise through expansion backed by military might. War, conflict, and unregulated competition between them would endanger the very arrangements that are making their rise possible. Thus, economic and political reforms at home, not the threat or use of military power, are China’s and India’s preoccupation.

Secondly, the rise of China and India illustrates more clearly that the western, resource-intensive economic model is simply not capable of meeting the growing needs of more than 8 billion people in the twenty-first century. Major shifts in resource use, technologies, policies, and even basic values are needed. As China and India become world-class economies, they are set to join already industrialised nations as major consumers of resources and polluters of local and global ecosystems. And while the largest burden of these developments will fall on China and India themselves, the global impact is clear. So, both India and China seek a refinement of the existing international order ranging from the out-dated Bretton Woods Institutions to the UN, to reflect the current realities and imperatives. China and India have major stakes in the global economy. Both are concerned about the ill-regulated financial sectors, the fiscal crisis, and recession in the West, as well as
the large amount of liquidity pumped into the advanced economies by central banks—liquidity that is causing volatility in capital flows and commodity prices elsewhere. This worry was underlined in the BRICS joint communiqué in March this year. Both countries are also concerned by a possible turn to protectionism among developed countries as their manufacturing base migrates to the developing world.

China and India are among the countries that will be the most affected by global warming. The Himalayan glaciers, feeding the great rivers of China, India, and Southeast Asia, are melting. Indian experts predict that, by 2050, the icy area on their side of the Himalayas will shrink by more than a quarter. Indian glaciologist’s estimate that in 20 to 30 years, the Himalayan glaciers would have receded substantially, leaving many rivers dependent on seasonal rainfall. The impact of global warming on river waters suggests that China and India must collaborate more intently on the exchange of hydrological data, and on adaptation mechanisms to deal with the consequences of a glacial melt. The two countries can cooperate on energy efficiency, environmental conservation and, most importantly, on renewable energy resources.

India and China could also co-operate towards international and regional security. While China is closely connected to East Asia’s security, it is also in India’s interest that peace and stability prevail in the region. New Delhi does not want to take sides in a potential South China Sea conflict. Also, alike Beijing, it doesn’t want a nuclear North Korea. It is in China and India’s interest that Islamist extremists and terrorists in Central, South, and Southeast Asia are checked. As a convergent theme of India’s ‘Look East’ and China’s ‘March West’, the two countries could potentially cooperate in preserving maritime security, including as a part of the emerging multilateral architecture in Asia.

India and China’s continued economic development at home and their expanding economic footprints abroad is lending strategic
importance to energy from West Asia and Central Asia. China’s interest in Central Asia is primarily driven by economics and energy needs. In September 2013, in President Xi Jinping’s trip to Central Asia, he signed agreements with CARs to enhance China’s energy security, to deepen cooperation with Central Asian governments on border security, and unveiled his ‘New Silk Road’ policy of free trade and exchange. China is also concerned about instability in Central Asia caused by the recent crisis in Ukraine and its potential impact on Western China. India’s stand has been similar to that of China.

While China seeks a role in SAARC, India does the same in SCO. Both India and China could play an important role. India should not be wary of expecting the convergence to translate into any real cooperation on the ground in Afghanistan or for its full membership in the Shanghai Cooperation Organization. India and Afghanistan are members of SAARC while China also has an important role. India and China have formed a strategic partnership with Afghanistan, by increasing aid along with rebuilding infrastructure projects. And if both China and India continue to develop their presence in Afghanistan, they will inevitably become greater political and security actors with their own interests to protect. This would be especially so with the USA planning to gradually withdraw its military forces from Afghanistan in the future.

Both China and India have interests in the Arctic. On 15 May 2013, the two Asian giants were granted permanent observer status in the Arctic Council. Even though India and China lack territorial contiguity with the polar region, constructive relations with the Council’s permanent members and participation in research programs will go a long way in securing common interests. India has accrued enormous knowledge capital in polar sciences, and can offer its Antarctica experience and contribute to the understanding of climate-induced changes underway in the Arctic. For its part, the Arctic Council will facilitate India and China’s communication and cooperation with relevant parties on Arctic
affairs within the framework of the Council, as well as promote peace, 
stability, and sustainable development of the Arctic region.

At the international level, as developing countries, India and 
China have coordinated at many multilateral institutions, including 
at the United Nations, on the issue of state sovereignty and the non-
interference principle; at the World Trade Organisation and G-20 
against trade protectionism and the rights of the developing countries; 
on climate change proposals; and overall in fashioning a more equitable 
world order. The five-nation BRICS format has further expanded such 
interactions between the two countries. However, China and India 
need to enhance multilateral cooperation at various regional and 
international fora like BRICS, EAS, ADMM+, BIMSTEC, Mekong-
Ganga Cooperation, Arctic Council, ASEAN Regional Forum, etc. India 
and China convergence in new economic multilateral initiatives—like 
in the Regional Comprehensive Economic Partnership (RCEP) and 
their stand on Trans Pacific Partnership (TPP)—are also similar.

Conclusion

China and India have adopted very similar approaches for cooperation. 
Both stresses the importance of international cooperation, multilateral 
security dialogues, diplomatic outreach, negotiation as the primary 
method of dispute resolution, and expanded economic ties. Additionally, 
both generally eschew unilateral or coalitional attempts to address Asia’s 
security challenges. Instead, China and India stress the importance of 
multilateral and regional fora while remaining cognizant that some 
security challenges are best dealt with at the bilateral level. Both countries 
also envision a proactive and positive role for themselves in resolving 
the region’s disputes, and even guaranteeing their neighbours’ security. 
With their growing economies, expanding ecological footprints, and 
rising political influence, China and India will need to be a part of any 
plausible global effort to build a sustainable world economy.

China and India could become strategic partners in the true sense, 
rather than viewing each other as hostile competitors. Currently, it
seems that a certain degree of asymmetry exists in China’s and India’s perceptions of each other. In contrast, to the extent that India features in Chinese strategic thinking, it is viewed more as a development partner, rather than a competitor. The different views affect the efficiency of co-operation, which has already led to misunderstandings between the two. Therefore, to achieve fully the goal of co-operation based on common interests, China and India should first adjust their view of each other’s role in their foreign policy, by viewing each other as real strategic partners that go beyond mere rhetoric. On the regional level, China and India are stakeholders in maintaining regional peace, stability and prosperity. They should go beyond zero-sum thinking, and employ a co-operative attitude to resolve their differences and address common regional challenges. Globally, they should play a greater role in the process of reforming global governance.

ENDNOTES


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China’s ‘Marching West’ Strategy and India-China Relations

Mao Jikang

In September and October 2013, Chinese President Xi Jinping proposed ‘New Silk Road Economic Belt’ and a ‘Maritime Silk Road’ in Kazakhstan and Indonesia respectively. This marked the implementation of China’s ‘Marching West’ strategy. Later, China initiated the Asia Infrastructure Development Bank to finance the building of ‘One Belt and One Road’, and set up a 10 billion Yuan (US$1.6 billion) fund to take forward its ambitious ‘Maritime Silk Road Plan’ to build ports, and boost maritime connectivity with Southeast Asian and Indian Ocean littoral countries.

Why Marching West?

The objective of this strategy is integrating China with Central Asia, Southeast Asia and South Asia economically and politically, ensuring China’s energy security, and consolidating security in Western China, by building a high speed railway linking Central Asian countries as well as constructing highways and ports linking Southeast and South Asian countries.

The ‘One Belt One Road’ strategy indicates the transition of China’s foreign strategy, from passively integrating into the international system led by western powers to positively establishing a more equitable and more democratic international or regional system. After consecutive economic high speed growth over several decades, China is now the
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second largest economy in the world. The rest of the world is increasingly requiring China to undertake more international responsibilities appropriate to its capability. It is time for China to think about turning its economic power to political power. The Marching West strategy—which is aimed at increasing common prosperity in Central Asia, Southeast and South Asia, is a significant step in implementing this transition—that is, by using economic influence to enhance its political influence and soft power is these regions.

The Development of the Western and South-Western Frontier Provinces

China has experienced high speed economic growth in the past three decades; but regional unbalanced development remains a problem. The western and south-western frontier provinces are far less developed than the eastern coastal provinces. After one part of China prospered first—that is, at the very beginning of adopting reform and open-up policy in late 1970s—the Chinese leadership proposed common prosperity for all over China. The time has now come to focus on the development of the backward areas of China. There is no doubt that the north-western and south-western provinces of China will play key roles in the ‘One Belt One Road’ strategy. These developing provinces will undertake the transfer of industries from the developed eastern and south-eastern provinces, and will forge into the transport logistics centre of the ‘One Belt One Road’—the new manufacturing and energy smelting base of China.

Energy Security

The security of energy supply is critical for China’s future economic growth. The Marching West strategy will help China exert political and economic influence in energy abundant countries in Central Asia and the Middle East so that China’s energy import from these areas remains guaranteed. Besides, through the construction of a transnational high-
speed railway, pipelines and ports, the transportation of energy from these areas to China will be more secured.

**Non-traditional Security Threat on Western China**

Along with America’s withdrawal from Central Asia and its focus on the Asia-Pacific, the great Central Asia area appears to have become a strategic vacuum. Russia, the traditional great power in Central Asia, will not be capable of dominating this area because the sea routes of the Arctic will force Russia to pay more attention to the potential security threats from the north. The result must be the emergence of home-grown Islamist forces, which will pose security threat on Xinjiang area in China. The Marching West strategy will help China improve the capability of army mobilization in Western China to maintain stability in Xinjiang. Also, economic development will be helpful for squeezing the living space of Islamic extremists in Xinjiang.

**Characteristics of the Marching West Strategy**

Firstly, ‘One Belt and One Road’ construction emphasizes on seeking win-win cooperation from all directions. In November 2014, in a Central Meeting on Foreign Affairs, President Xi Jinping urged work to strengthen win-win relations through practical cooperation with countries relevant to the ‘One Belt One Road’. He also called for all-round efforts to boost cooperation on politics, economy, security, culture, etc. Therefore, since ‘One Belt One Road’ should be constructed to go beyond economic win-win cooperation, China will make double efforts on fostering a sense of community, of a common destiny by cooperating with relevant countries in multiple areas and fields.

Secondly, ‘One Belt One Road’ calls for integrity and good faith in order to reinforce the bond of mutual trust. According to data display, most countries along the ‘One Belt One Road’ are low-income countries, nine of which are least developed countries. Hence, in the 8th meeting of the central economic and finance leading group, Xi
Jinping stressed that to carry forward the ‘One Belt One Road’ strategy, what China needs to do is to enhance mutual understanding, build consensus, and enrich and deepen cooperation so as to strike a balance among the interests of various parties, and build mechanisms that bring benefit to all. In the spirit of balancing righteousness and profitableness, China should deliver more development dividends to the developing countries relevant to the ‘One Belt One Road’.

Thirdly, ‘One Belt One Road’ calls for double efforts on bilateral cooperation. China’s rise, to some extent, has benefited from integrating multilateral, international, and regional cooperation. It is now necessary for China to vamp up bilateral relations with strategic pivot countries—mainly China’s neighbouring countries—to further improve China’s position in these multilateral frameworks. While not forming multilateral entities, ‘One Belt One Road’ emphasises the boosting of practical cooperation with willing countries or economic entities. On 7 September 2013, Xi delivered a speech at Nazarbayev University in Kazakhstan, suggesting that China and Central Asia should join hands to build a Silk Road Economic Belt to boost cooperation. In November 2014, in a speech at the meeting of Central Leading Group of Finance and Economics, Xi said that China will increase connectivity with its neighbours, actively explore the ‘One Belt One Road’ programme by advancing integration within the region through individual bilateral cooperative projects with each country in the first place—such as inter-connectivity programmes with Laos, Burma and Nepal separately; building a Silk Road city with Kuwait; contracting to build a high-speed railway in Turkey; and constructing power plants in Tajikistan. This is quite different from earlier Chinese foreign policy that focused on multilateral frameworks.

Marching West does not mean that China will deploy more military capability in the west. By inviting the relevant countries in joint efforts to build a Maritime Silk Road and New Silk Road Economic Belt, one of the main functions of Marching West strategy will be achieved: the implementation of the strategic arrangement in Central Asia and Indian
Ocean littoral countries, which will help China to expand its economic and political influence in these countries. The implementation of the Marching West strategy will help China improve the capability of army mobilization in Western China. However, fighting against the separatists or Islamic extremists in Western China does not require mass military deployment in this area. Therefore, the New Silk Road Economic Belt strategy should not be interpreted as China trying to enhance its land power through road and railway linkages to Central Asia, and even further to Eastern Europe. China still perceives its main security threat coming from East China Sea disputes with Japan, and Taiwan’s effort for independence, both with the backing of the USA.

The Marching West strategy can be perceived as a countermeasure to USA’s Rebalancing Asia. Keeping the power balance with Japan and the USA in the Western Pacific and unifying Taiwan are still the core interests of China. Maintaining China’s sea power and the balance of power in the Western Pacific is top priority of China’s security strategy. Currently, power structure in the Western Pacific is characterized as a rough balance of power between China and the USA. Robert Ross, an American scholar, has noted that in East Asia, China’s navy is able to defend her coastal waters, but is unable to gain advantages beyond that. The USA has been able to gain dominance on the sea, but not on land. East Asian power structures show the balance between Chinese land power superiority and American sea power superiority. However, because of the fast pace of China’s military modernization—especially naval modernization—neighbouring countries are increasingly anxious that China will threaten their national security, and the USA is skeptical about China’s intentions of dominating East Asia. Therefore, the USA and China’s neighbouring maritime countries are strengthening maritime cooperation to counter China, and the disputes between China and its neighbouring countries are getting more serious.

Strengthening sea power and keeping the balance of power in the Western Pacific is top priority of China’s security strategy. However,
there will be a security dilemma between China and the USA with its allies if China obviously increases naval deployment in the Western Pacific. China’s proposal of the Maritime Silk Road is an attempt at bringing down the fever of maritime disputes in the Western Pacific; it is also making use of its economic advantage—to build a good political image—and its soft power towards the west, especially Indian Ocean. By implementing the Maritime Silk Road, China’s naval presence in the Indian Ocean will be enhanced to some extent. This does not mean China is intending to challenge India and the USA’s dominant role in the Indian Ocean. Its giving priority to the Indian Ocean strategy is protecting its energy security interests by way of securing the Sea Lanes of Communications, which has driven China to keep certain naval presence in the IOR. If there exists a triangular power structure among USA, India and China in the Indian Ocean region, China is undoubtedly in a weak position in this triangle. Indeed, it is far away from threatening India’s security on the sea.

Opportunities for China-India Cooperation

As China is India’s neighbouring big power, India is sceptical about China’s Marching West strategy to some extent. China has been pushing the BCIM corridor at least since the late 1990s. India’s default position was to duck and fume. The reluctance in Delhi’s foreign and security establishments against any overland connectivity projects with Beijing has been deep, and is tied to the difficult political relationship and the unresolved boundary dispute. India is also worrying about China’s development aid in the Indian Ocean littoral countries in the building of ports. It was especially worried when a Chinese submarine was reported to have docked at a Sri Lankan Port. Some Indian strategists even believe that China will, inevitably, follow its commercial footholds in the Indian Ocean with naval ones. The purpose of China’s naval expansion is precisely to create strategic space for itself in the Western Pacific, and then move into the Indian Ocean gradually. In preparation
for this, China is learning to operate far from its shores for quite some time now—for instance, in the Gulf of Aden.4

India officially does not believe that China is capable of threatening India’s security from the sea in the near future. What India is worrying about is that China’s future intentions in the Indian Ocean are uncertain. Therefore, as long as China’s military presence in the Indian Ocean is beyond the scope of threatening India’s national security, India will not take any radical actions. China has no military intentions in China’s Maritime Silk Road strategy in the Indian Ocean in the short term. There is enough space for the two navies to cooperate in the IOR regarding rescue at sea, counter-terrorism, and joint exercises, etc.

India’s willingness to sign a MoU on Asia Infrastructure Investment Bank indicates that India perceives China’s Marching West strategy as providing more opportunities than challenges. By making joint efforts with China to build the Maritime Silk Road, India will have more opportunities to receive China’s investment in India’s infrastructure, manufacturing, and agricultural sectors. These efforts will be especially significant in the opening up and the development of India’s North-Eastern region, as well as in construction of new ports, or in the upgradation of India’s important ports and the economic zones around the ports.

The Marching West strategy also provides opportunities for China and India to cooperate on the Afghan issue, as well as other maritime issues in the Indian Ocean. India and China share a common interest in maintaining the stability of Afghanistan. Both countries are facing the potential terrorism threat originating from Afghanistan. By implementing the Marching West strategy, China’s policy towards Afghanistan may be more positive, and provide more development aid to Afghans, while India may make use of its political influence in Afghanistan, and make joint efforts with China to maintain its stability.
In the maritime domain, cooperation on maritime infrastructure has a positive potential for China and India. When analysing the impact of China’s increasing influence in the IOR, one Indian scholar argues that India’s immediate problem, however, is not the prospect of China acquiring military facilities in the Indian Ocean. Given the long and vulnerable lines of communication from China’s eastern seaboard to the Indian Ocean, China’s bases will be easy pickings in a war. The real problem for India is the massive maritime gap with China in the civilian domain. Out of the top 10 busiest container ports in the world, China has seven. The story is much the same when comparing the tonnage of Chinese merchant fleets or its ship-building capacities. If the BJP is serious about generating millions of jobs through manufacturing and trade, it must necessarily focus on a rapid expansion of India’s maritime infrastructure. In the Maritime Silk Road framework, there is great potential for India and China to cooperate on maritime infrastructure. For example, some Indian scholars think both India and China could benefit from cooperation on shipbuilding. China has lately emerged as the world’s largest shipbuilder, having overtaken South Korea in terms of shipbuilding capacity and new orders. Indian shipbuilding could benefit from Chinese shipbuilding practices and technologies. China could benefit by outsourcing some of its shipbuilding to Indian yards, which have advantages like low costs of labour and raw material.

ENDNOTES

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China-India Maritime Cooperation
India-China Maritime Cooperation

Ateetmani Brar

During Chinese President Xi Jinping’s visit to India in September 2014, China and India affirmed their willingness to hold their first bilateral Maritime Dialogue. In the past, several proposals have been mooted by both sides on maritime cooperation. For example, in 2012, India and China discussed coordinating their counter-piracy operations and the prospects for sharing of technology on seabed research. However, the preliminary talks were not followed up. If and when the Maritime Dialogue is held, it would be a milestone event in furthering India-China bilateral relations. While the issues that may be discussed at the dialogue are not known, this essay attempts to identify a few issues that could possibly be considered.

The themes for maritime cooperation between India and China could be divided into three domains: maritime security, maritime economics, and China-India maritime engagement in multilateral organisations. Each of these is discussed below.

Maritime Security

Coordinating Counter-Piracy Operations

Both India and China are key players in Asia’s maritime security architecture. The security of international shipping lanes (ISL) is critical for both nations. All of India’s seaborne trade, ipso facto, transits through the Indian Ocean. China is also heavily reliant on
the Indian Ocean for its trade, including its energy imports. In 2012, nearly 40 per cent of China’s trade transited through the Indian Ocean. Also, nearly 60 per cent of its oil imports sourced from Africa and West Asia pass through the Indian Ocean. Their combined efforts could constructively counter non-traditional security challenges such as piracy. Although recent trends indicate a steady decline in pirate attacks in the IOR, the crime is likely to continue to pose a major risk to global shipping and seafarers. The navies of India and China have operated together in the Gulf of Aden to tackle the threat of Somali pirates. Their ships have escorted each other’s commercial ships, as also other flag vessels, passing through the IRTC (International Recommended Transit Corridor). Both countries could consider a reciprocal arrangement, wherein the Indian Navy (IN) provides security to Chinese shipping and seafarers in the Indian Ocean, and the PLA Navy reciprocates by providing a security cover to Indian shipping and seafarers in the Western Pacific.

**Maritime Terrorism**

In November 2008, India bore the brunt of maritime terrorism for the first time with the Mumbai attacks. China also faced maritime terrorism in September 2013 when its merchant ship transiting the Suez Canal was attacked by a rocket propelled grenade (RPG). The responsibility for this attack was taken by the Muslim Brotherhood. More recently, in September 2014, the Al Qaida declared its intent to launch jihad in the Indian subcontinent, and three days later, the fundamentalists undertook an unsuccessful attempt to take control of the PNS Zulfiqar at Karachi and China’s naval inroads in the Indian Ocean with the aim of striking US warships operating in the area. Following this incident, the Indian Navy placed its warships on high alert. India and China may consider the sharing of information to curb the emergence of maritime terrorism in the region.
Humanitarian Assistance and Disaster Relief (HADR)

Natural disasters have always posed severe risks to Asian countries and their people. The Indian Navy and PLA Navy could coordinate their Humanitarian Assistance and Disaster Relief (HADR) operations in the event of such crises, and also develop best practices for such missions. It is pertinent to recall that both navies have lately been participating in multilateral HADR exercises in the Western Pacific, including under the ADMM+ and WPNS.

Search and Rescue (SAR)

International efforts to locate the wreckage of Malaysian Airlines flight MH 370 which went missing over the southern Indian Ocean about nine months ago have continued unabated. Till the time the debris and the black box of the missing flight is located, the cause of the accident will remain a mystery; but the unfortunate incident brought to fore the challenges posed by the underwater domain, as also the national, regional and global limitations of search and rescue (SAR). India and China could cooperate at the Indian Ocean Rim Association (IORA), which is heading towards initiatives to transform the Indian Ocean regional SAR response capabilities. At the core of such initiatives would be capacity-building through technology and training. A successful SAR operation is dependent on surveillance assets such as ships, aircraft, satellites and underwater systems. It is important to mention that most Indian Ocean littorals lack surveillance assets and proper equipment to conduct SAR operations, and only a few can undertake deep sea rescue. Similarly, training and enhanced planning is critical for SAR. The exercises of HADR and SAR are important steps taken by navies for showing their influence and naval strength. It is also an obligation which the navies should comply with, and come together as responsible nation states to overcome natural disasters.

Another area where the Indian and Chinese navies could cooperate is for the Code for Unplanned Encounters at Sea (CUES). This
procedure would be helpful in regulating the maritime behaviour of countries in the region, and is a non-binding agreement that lays out how navies should react at sea. This agreement was reached at the Western Pacific Naval Symposium (WPNS), and the USA, China, Japan, and Philippines were part of the signatory countries. CUES lays out how vessels and aircraft will communicate by sounds, light and flags (which, in reality, has been agreed upon through the 1972 International Regulations for Preventing collisions at Sea or COLREGS, and applies to all vessels), and by radio (in English, with designated call-signs, and clear procedures for information exchange). This procedure would be helpful in those instances where communication was absent, such as the radar lock-on incidents. CUES can be helpful as a confidence-building measure, and as an introduction of rules for interaction among navies though it only applies in Exclusive Economic Zones (EEZs) and on high seas, not in territorial waters.

For the Indian Navy and PLA Navy to coordinate their operations, tactical compatibility is an essential pre-requisite. Until now, the two navies have only been involved in routine passage exercises. The two could hold structural naval exercises in the future to be able to operate together, including as part of UN supported multinational coalitions and other partnerships.

Maritime Economics

Maritime Silk Route (MSR)

Chinese President Xi Jinping invited India to be a part of its 21st century MSR (Maritime Silk Road). China’s plan for a maritime infrastructure corridor in the broader Indo-Pacific region was first proposed by President Jinping’s visit to South East Asia in October 2013. The proposed path for the MSR runs through the Straits of Malacca to South Asia, the Middle East and East Africa. Beijing has provided strong support for the project, including the signing of a Memorandum of Understanding (MOU) in October 2014 to establish
the Asian Infrastructure Investment Bank (AIIB) with other 20 countries in the region, which should be implemented by end of 2015 with authorized capital amounting to US$100 billion. In addition to this, US$40 billion will be contributed towards the establishment of a Silk Road Fund (SRF).6

This project has attracted attention because it has potential of establishing a Chinese foothold in the Indian Ocean. As of now, there are no concrete details on the new MSR. However, it is believed that it would involve the enhancement of economic connectivity through the construction of ports and other maritime infrastructure.7 It would also involve developing special economic zones in the partner countries. Beijing’s idea of the revival of the MSR also shows its own needs for its own development. The countries that border the MSR are the best industrial transfer locations for China, and this can also assist Chinese companies in exporting bullet-train technologies and products in areas where there is domestic oversupply. The development of infrastructure, including highways, railroads and telecom networks, would help China in strengthening its economic and trade relations with neighbouring countries.8 The MSR could help India develop its maritime infrastructure and provide new employment opportunities.

**Ship Building**

The global shipbuilding industry is currently dominated by Asia as opposed to the 1960’s in which Europe accounted for almost 70 per cent of the world’s shipbuilding capacity. There has been a progressive shift in geographic locus of global shipbuilding from the West to the East over the last 40 years. Japan became the world’s leading shipbuilder in the 1960’s, followed by South Korea in the 1980s and, lately, China has emerged as the world’s largest shipbuilder. The three countries have succeeded in the shipbuilding business because they have good availability of raw material, human resources and technology, and government policy. India could benefit from Chinese shipbuilding
practices and technologies. China could benefit by outsourcing some of its shipbuilding to Indian yards, which have advantages like low costs of labour and raw material.

**Deep Seabed Mining**

Deep seabed mining is another potential area of cooperation. As land resources deplete worldwide, the deep seabed promises to yield vast resources of mineral wealth. India became a pioneer investor in deep seabed exploration in 1987, when it was allocated an area of 150,000 square kilometres in the Central Indian Basin by the International Seabed Authority. India has developed considerable expertise in metallurgical processes, and is on a stage of establishing two or three pilot plants for metal extraction from the poly-metallic nodules.

Lately, China has also been accorded a permit by the ISA for seabed exploration in the South-West Indian Ocean. China has developed the world’s deepest diving vehicle, *Jiaolong*, which can operate as deep as 7000 metres. While joint seabed exploration may not be feasible due to national security concerns, the sharing of technology in deep seabed mining may be more feasible.

**Blue Economy**

Another emerging area is the ‘Blue Economy’. Prime Minister Narendra Modi spoke about its importance, even as he was sworn in as the Indian Prime Minister in May 2014. The idea of a Blue Economy was first floated at the Rio+20 preparatory meetings, where several Small Islands Developing States (SIDS) noted that a ‘Green Economy’ had limited relevance for them; instead, ‘a Green Economy in a Blue World’ was a good idea, and most suitable for sustainable development and the management of ocean resources. The Blue Economy has been included in the national strategy of a number of countries. The European Union announced its ‘Blue Growth’ strategy for the sustainable development of marine and maritime sectors, and this would contribute towards
the Europe 2020 strategy for smart, sustainable and inclusive growth. This initiative is estimated to produce 5.4 million jobs, and add a gross value of about 500 billion Euros annually as also help create jobs and growth.

China too has formulated a Five-Year Development Plan for National Marine Economy which will help monitor the progress of various marine sectors. Beijing’s marine economy had a 17 per cent growth rate in the 1980s, and 20 per cent in the 1990s. The marine economy of China is expected to grow at 8 per cent annually up to 2015 and result in 2.6 million new jobs, and could also be constituting 10 per cent of the national GDP. If we take the case of India, the idea of the Blue Economy is yet to develop. Ironically, there are as many as 17 different agencies whose mandate includes maritime matters; but there is a lack of synergy amongst them. This is partly the result of the absence of a significant organization to facilitate a dialogue amongst these agencies. The idea of the Blue Economy could also be used concurrently with the development of marine technology to achieve food security in two of the world’s most populous countries: China and India.

Cooperation in Multilateral Organisations

India and China are members of various multilateral institutions. China is a dialogue partner in the Indian Ocean Rim Association (IORA) and also seeks to participate in the Indian Ocean Naval Symposium (IONS). Both countries are members of the Asian Defence Ministers Meeting Plus (ADMM+), where they can enhance their cooperation through five platforms: HADR, military medicine, maritime security, peacekeeping and counter-terrorism. China and India could also work towards formulating a common approach on Arctic issues since both have been accorded Permanent Observer status in 2013 in the Arctic Council. The world is looking at the Arctic as an emerging area of opportunities. There are a few difficulties in the Arctic regarding
the extraction process, but still both the governments of China and India are very interested in the potential natural gas resources. Beijing and New Delhi’s national oil companies are currently in talks with Russia’s Gazprom and Rosneft for oil and gas investment in the Arctic area. Given the complexities in the Arctic region, it would be viable for both India and China to form a group in the negotiation process as they both did in the Myanmar-China natural gas pipeline project.16 Both countries have set up research stations to study climate, weather, geology and atmospheric sciences and are looking for opportunities to exploit the resources in the region.

**BRICS (Brazil, Russia, India, China, South Africa)**

The BRICS countries are highly dependent on the seas, and are connected with each other through the Atlantic, Pacific, Indian and the Arctic Oceans over which more than 90 per cent of global trade by volume is transported. They are emerging economies, and the constants of geography endow them with enormous muscle. Thus, more cooperation and planning at the maritime level could be quite fruitful for all the BRICS nations.

One of the significant maritime projects currently under development by the BRICS countries involves the fibre optic cable from the Pacific to the Atlantic through the Indian Ocean. This 34,000 km long and 12.8 terabit capacity network—the third longest underwater cable in the world—connects Vladivostok in Russia, Shantou in China, Chennai in India, Cape Town in South Africa, and Fortaleza in Brazil.17 The cable will interconnect, among others, with the WACS cable on the West Coast of Africa, and the EASSY and SEACOM cables on the East coast of the continent. This will result in giving 21 African countries fast access to the BRICS network. Before this project, the BRICS countries were connected to each other via telecommunication hubs in Europe and the USA, resulting in high costs as well as the high risk of potential interception of critical financial and security
information by non-BRICS members. This will help the BRICS to develop an exclusive and secure intranet, and transact critical financial and security data.

An exercise called the ‘IBSAMAR’ is conducted between India, Brazil and South Africa in the Indian Ocean region. The exercise is the maritime element of the regional co-operation initiative between the IBSA. Security issues, particularly maritime, are quickly finding a prominent place in trilateral arrangements like the IBSA. The member countries of IBSA acknowledged the fact that a benign security environment can never be brought about by the efforts of a single country. The objectives of the IBSAMAR include building respect and co-ordination between participants; interoperability to promote mutual trust; conducting combined naval exercises in observance with shared objectives; compatibility of the combat capabilities of participating units; develop and advance tactics and enhancing readiness for combined objectives, among others. The IBSA team could extend this naval cooperation towards China and Russia as well so that there is more room for maritime development amongst the BRICS nations.

India and China could also look at maritime cooperation at the Shangri-La Dialogue. The dialogue is carried out by a think tank based in Singapore, and involves a process of correspondence of Track 1 and Track 2 institutions resulting in an informal exchange of outlooks on the regional security landscape. Discussions at the previous meetings noted that maritime security is matted deeply with the security and stability of the Asia Pacific region. Hence, the Defence Ministers and senior military personnel of participating countries exercise the forum for building a deeper understanding and constructing comprehensive maritime cooperation. The dialogue is important for both India and China as the two nations have a shared interest to cooperate in ensuring the sea-lanes (SLOCs) remain open and safe for navigation.
Conclusion

From the above, many convergences between China and India emerge which bear substantial potential for maritime cooperation. Though there are certain roadblocks in the way of this partnership—like the outstanding border dispute and lack of trust—but if and when there is movement on the maritime dialogue, such cooperation could translate into rich dividends for both countries in both the economic and security domains. The proposed Maritime Dialogue is an opportunity that the two countries should not miss.

ENDNOTES


17. Max Smolaks, ‘New Submarine Fibre Optic Cable to Link BRICS Countries,’ Tech Week Europe, 16 April 2012, at http://www.techweekeurope.co.uk/workspace/fibre-optic-cable-brics-countries-73068

18. Max Smolaks, ‘New Submarine Fibre Optic Cable to Link BRICS Countries,’ Tech Week Europe, 16 April 2012, at http://www.techweekeurope.co.uk/workspace/fibre-optic-cable-brics-countries-73068


The Current Situation and Prospects for Sino-Indian Maritime Security Cooperation

Zhang Ye

With the expansion of Chinese overseas national interests, the sea communication lines in the Indian Ocean become more and more important for the country, and the PLA Navy’s activities in the Indian Ocean have been increased. In the meantime, as the Asia-Pacific region becomes more significant in the global strategic landscape, the Indian Navy has also extended its activities into the South China Sea and the Western Pacific Ocean. So it is safe to say that, in the next 5–10 years, the interaction between the two navies will be intensified. This can lead to two different results: one could be that the communication and cooperation will deepen and maritime security become a new field for cooperation between the two countries; the other, that each country treats the other navy’s expanding activities as a threat, and takes precautionary actions. In other words, the doubt and disagreement between the two navies could accumulate and, finally, a conflict could occur at sea. It is believed that the peace and stability of the Indian Ocean is in the interest of both countries, and both countries are willing to make efforts to push forward maritime security cooperation. To realise this goal, one thing we have to do is to get a complete and clear picture of what the negative and positive factors are for Sino-Indian maritime cooperation.
Positive Factors for Sino-Indian Maritime Cooperation

Firstly, regional peace and stability is in the interest of both countries. China and India are big emerging economies which are heavily dependent on foreign trade. Thus, both countries need a peaceful and stable maritime environment. Deepening Sino-Indian maritime cooperation will be helpful in stabilizing the maritime security environment, and even the security environment of the whole region.

Secondly, different strategic goals in the Indian Ocean leave a large space for the coordination and cooperation between the two countries. India is a big sea power in the Indian Ocean, and it tries to maintain dominant position in this region. However, the purpose of Chinese Navy’s presence in the Indian Ocean is just to protect its sea communication lines rather than to pursue power in the ocean. Thus, there is no fundamental conflict in terms of the goal of both navies in the Indian Ocean. This difference in goals is favourable for cooperation between the two navies.

Thirdly, there are a lot of common interests between China and India in the field of tackling non-traditional threats. The most important sea lanes of energy and trade of the world go through Indian Ocean, and almost half of the world demand increase for energy is from China and India. Thus, keeping the sea lanes in the Indian Ocean safe and smooth is of critical significance for both countries. Since 2008, both navies have been carrying out anti-piracy missions in the Gulf of Aden, and the coordination between the two navies is gradually deepening.

Fourthly, the improved Sino-Indian national relationship provides more chances to strengthen navy to navy cooperation. In recent years, the relationship between China and India has improved remarkably. President Xi Jinping’s visit to India in September 2014 especially has greatly pushed forward the development of the relationship between the two countries. This will also provide a favourable environment for the Sino-Indian maritime security cooperation.
Negative Factors in Sino-Indian Maritime Cooperation

Firstly, the land boundary conflict makes for a very low level in Sino-Indian strategic confidence. The military conflict in 1962 has severely damaged the trust and emotions of the people of the two countries. Moreover, there are still about 2,000 kilometres of boundary that has not been decided yet. The disagreement and conflict on the boundary is, and will be, the biggest barrier in Sino-Indian maritime security cooperation. There are concerns that a conflict on land may bring about clashes at sea.

Secondly, there are actual interest conflicts between China and Indian in the Indian Ocean. As a big power in the Indian Ocean, India is very sensitive to China’s activities in its waters. There are doubts about the nature of China’s cooperation with coastal countries, especially when China provides some help in building harbours in these areas. Actually, the strategy of PLA Navy is ‘Near Sea Defence’, with the key area of defence in Western Pacific Ocean, and China’s efforts in the Indian Ocean are aimed at maintaining safety of its Sea Communication Line. China has no intention of competing with India in the Indian Ocean. On the other hand, because of the dispute over the sovereignty of some islands with Japan and some ASEAN countries, China is also sensitive about the Indian Navy’s cooperation with these East Asian countries.

Thirdly, ‘other issues’ make Sino-Indian maritime cooperation more complicated and difficult. The issues of Tibet, Pakistan, etc. add to the uncertainty of the relationship between China and India. These also hinder the development of Sino-Indian maritime security cooperation.

The Future of Sino-Indian Maritime Cooperation

From the analysis above, we can see that there are favourable conditions as also limitations for Sino-Indian maritime security cooperation. However, generally speaking, positive factors are more than negative
ones, and compared with security cooperation on the land, maritime security cooperation faces less challenges. Since there are more common interests, it is easier to make a breakthrough in matters of the sea. In the background of an improved national relationship between the two countries, there are enough reasons to look forward to a brighter future for Sino-Indian maritime security cooperation. Of course, due to disagreements and conflict in both history and reality, maritime security cooperation is not an easy task. It will be a long and difficult process, which will need concrete action and joint efforts to push forward.

The first effort will be towards improving the strategic perceptions of each other. Both China and India are in the process of rapid development. This adds to the competition between each other. However, it also provides a huge opportunity for both countries. The development of China and India will bring peace and prosperity not only to 2.5 billion people of the two countries but also to the people of Asia and the whole world. It is imperative that both countries become more open and have a tolerant mentality towards each other’s naval development and its expanding activities in the ocean rather than treat it as a threat and danger. In this regard, scholars can play an important role because their neutral and objective research and comment on the Sino-Indian relationship can influence public opinion in each country and make it more reasonable, thus mitigating the doubt and hatred in both countries.

The second one can be to strengthen navy to navy communication in order to enhance strategic trust. Although good momentum seems to be gaining ground in Sino-Indian maritime cooperation, in actual fact, the cooperation is still at a very low level, which is quite inappropriate for the status of the two countries in the world. The two navies should take actions to strengthen communication at all levels, including communication between the leaders of the two countries on a bilateral and multilateral basis, increase port calls of warships, and enhance academic exchanges between the two navy academies.
and research institutes. No doubt, this will reduce prejudice and misjudgment, gradually enhance confidence, and improve the interaction between the two navies.

The third effort will be towards starting with non-traditional cooperation to deepen maritime security cooperation. The Chinese and Indian navies have already carried out some forms of cooperation in fighting pirates in the Gulf of Aden—a good example of substantial cooperation in tackling non-traditional threats. In this field, maritime security cooperation is much less impacted by historical hatred and political disagreement, thus allowing the two sides to work on the larger common interest, and create an atmosphere for a brighter future for cooperation. We should take non-traditional security cooperation as a stepping stone towards developing the procedures as well as the protocols for communication and operation for both navies, which will become the basis for a deeper and even traditional security cooperation of the two navies.

The fourth effort should be towards avoiding the exaggeration of Sino-Indian disagreements and disputes. Undeniably, there are historical conflicts and real disputes between China and India, and these are facts that both countries have to face. We should respect each other’s interests and concerns, and take constructive and cooperative attitude towards the disagreements and disputes, and try to solve them through negotiation and consultation. We should be cautious of the dangers arising from the hyperbole of the media regarding the disputes between the two countries—they only establish obstacles in the way of cooperation between the two navies and damage the Sino-Indian relationship. We should set up official channels and mechanisms of communication to ensure smooth and efficient communication between the two navies in any situation so as to avoid mis-judgment and miscalculation.
About the Institutions
The genesis of the National Maritime Foundation lies in a long-felt need to redress India’s historic neglect of its maritime security domain, and to fill an acute intellectual void by providing a common platform for discourse between maritime related institutions, organisations and disciplines, country-wide.

The Foundation provides an open forum for professional debate amongst the sea-going services while serving to heighten maritime awareness amongst India’s policy-makers, intellectual elite, and even the lay civil society.

To these ends, the National Maritime Foundation will:

• accord priority, as an autonomous institution,

• to free dialogue and discussion on all issues with a bearing on maritime security and on the formulation of independent policy options to decision makers, in the Government of India and the Navy,

• endeavour to mold public opinion and influence the national security elite on issues where India’s vital maritime security interests are at stake,

• nurture and facilitate the study, scholarship and discourse in respect of a broad spectrum of maritime issues, including marine
resources, maritime law, maritime history, the preservation of
the maritime environment, and disaster relief.

• seek to engage foreign institutions having interests and
commitments in common with India in our immediate
neighbourhood and further afield, and

• encourage the exchange of ideas with a view to enhancing
mutual understanding and cooperation in the maritime field.

All activities of the NMF will be underpinned by the need to
continuously sensitize our fellow citizens to the importance of maritime
security, remind them of our maritime heritage, and to reawaken
maritime consciousness—especially amongst India’s youth—by using
our own resources, out-station chapters, as well as other institutions.
The Hainan Institute for World Watch (HNIWW)

The Hainan Institute for World Watch, based in Haikou City of Hainan Province, the largest Special Economic Zone in China by the South China Sea, is an authority on Strategic Studies in China.

Established in 2009, HNIWW is taking advantage of the development trend in China as well as the policy of designating Hainan province as an island for international tourism, to collaborate with individuals and organisations of the world having a strategic orientation to build up a global network of cooperation and dialogue on strategic studies with the aim of promoting world peace and security.

In the context of the radical, changing domestic and international social milieu of China, and ever since the promulgation of the open door policy in 1978, the HNIWW was created with the mission of providing the best information and a comprehensive analysis of global strategic trends regarding national security, international relations, military and political issues, as well as the international business environment of the public and private sectors.

The HNIWW also has the unique convening power of facilitating contacts between government leaders, the business elite, as well as private and public analysts, in order to hold strategic dialogues. Moreover, the HNIWW provides studies as a reference to shape and plan strategic policy making as mandated.
Through dynamic forums, seminars, workshops, educational activities, field study tours, publications and media collaborations, the HNIWW hopes to enhance better understanding between Chinese and foreign key individuals and organisations related to policy making on cultural, economic, ethnic, political, religious, social and military issues, and to eventually facilitate a good relationship with all concerned parties so as to ensure a peaceful and secure international order.

Working under the Board of Directors of HNIWW are Research and Development, Administration, Advisory, Auditing, and Executive Committees. Administratively, HNIWW has the following departments: Administration, the Research and Development Centre, the Information Centre, the Centre for International Strategic Studies, the Centre for Marine Security and Cooperation, and the Research and Development Centre for Regional Cooperation.
India and China
Exploring Convergences in Asia

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DIALOGUE SERIES